



CITY COUNCIL REGULAR MEETING AGENDA

CITY COUNCIL CHAMBERS, CITY HALL
7351 ROSANNA STREET, GILROY, CA
95020

MAYOR
Greg Bozzo

COUNCIL MEMBERS
Dion Bracco
Tom Cline
Terence Fugazzi
Zach Hilton
Carol Marques
Kelly Ramirez

AMENDED AGENDA

Removed the Administrative Hearing Item, and
included staff report for Item 10.1

**5:00 PM CLOSED SESSION
6:00 PM REGULAR SESSION**

MONDAY, JULY 27, 2026 | 6:00 PM

CITY COUNCIL PACKET MATERIALS ARE AVAILABLE ONLINE AT www.cityofgilroy.org
AGENDA CLOSING TIME IS 5:00 P.M. THE FRIDAY PRIOR TO THE MEETING

Remote Participation

Gilroy City Council meetings are held in person. The community may attend in person or via Zoom (video/teleconference). The meetings are also live-streamed on the City's [website](http://www.cityofgilroy.org) and [YouTube](https://www.youtube.com/channel/UCv8v8v8v8v8v8v8v8v8v8v8).

Those wishing to participate in the meetings remotely may join using the following link: <https://bit.ly/GilroyCityCouncilMeetings>. Additionally, Zoom participants must be running the latest version or will be required to update to it before joining the meeting remotely.

Remote participation is also available by calling (669) 900-6833 and entering webinar ID: 930 2066 6240#. Dial *9 to raise your hand, and be called upon to speak for up to 3 minutes. Dial *6 to unmute.

Public Comment

COMMENTS BY THE PUBLIC WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. Public testimony is subject to reasonable regulations, including but not limited to time restrictions for each individual speaker. ****Please limit your comments to 3 minutes.**** The amount of time allowed per speaker may vary at the Mayor's discretion depending on the number of speakers and length of the agenda.

Public comment will be heard first from those attending in person, with the submission of a speaker card. Once that is complete, we will move to those on Zoom who have their virtual hand raised. Following public comment from Zoom, we will close the public comment period for that item.

Please note: Once the third speaker has provided comment on an item, there will be no further speaker cards or virtual raised hands taken for that item.

Written comments on any agenda item may be emailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1 p.m. on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1 p.m. deadline will be provided to the City Council as soon as practicable. Written comments are also available on the City's Public Records Portal at bit.ly/3NuS1IN.



In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at least 72 hours prior to the meeting at (408) 846-0204 or cityclerk@cityofgilroy.org to help ensure that reasonable arrangements can be made.



If you challenge any planning or land use decision made at this meeting in court, you may be limited to raising only those issues you or someone else raised at the public hearing held at this meeting, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

A Closed Session may be called during this meeting pursuant to Government Code Section 54956.9 (d)(2) if a point has been reached where, in the opinion of the legislative body of the City on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the City.

Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available with the agenda packet on the City website at www.cityofgilroy.org subject to the Staff's ability to post the documents before the meeting.

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, task forces, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE [OPEN GOVERNMENT ORDINANCE](#), TO RECEIVE A FREE COPY OF THE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION STAFF AT (408) 846-0204.

If you need assistance with translation and would like to speak during public comment, please contact the City Clerk a minimum of 72 hours prior to the meeting at 408-846-0204 or e-mail the City Clerk's Office at cityclerk@cityofgilroy.org.

Si necesita un intérprete durante la junta y gustaría dar un comentario público, comuníquese con el Secretario de la Ciudad un mínimo de 72 horas antes de la junta al 408-846-0204 o envíe un correo electrónico a la Oficina del Secretario de la Ciudad a cityclerk@cityofgilroy.org.

To access written translation during the meeting, please scan the QR Code or click this link:



Para acceder a la traducción durante la reunión, por favor escanee el código QR o haga clic en el enlace:

www.cityofgilroy.org/translate

Choose Language and Click Attend | Seleccione su lenguaje y haga clic en asistir

Use a headset on your phone for audio or read the transcript on your device.

Use sus auriculares para escuchar el audio o leer la transcripción en el dispositivo.

1. CLOSED SESSION - 5:00 PM

1.1. Call to Order

1.2. Roll Call

1.3. CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING UNITS Pursuant to GC Section 54957.6 and GCC Section 17 A.11 (4)

Collective Bargaining Units: Local 2805, IAFF Fire Unit Representing Gilroy Firefighters

City Negotiators: Matt Morley, City Administrator; LeeAnn McPhillips, Human Resources Director/Risk Manager

Anticipated Issues(s) Under Negotiation: Wages, Hours, Benefits, Working Conditions; Memorandums of Understanding: City of Gilroy and Gilroy Fire Fighters Local 2805

2. OPPORTUNITY FOR PUBLIC COMMENT ON CLOSED SESSION

3. ADJOURN TO OPEN SESSION

Report of any action taken in Closed Session and vote or abstention of each Council Member if required by Government Code Section 54957.1 and GCC Section 17A.13(b); Public Report of the vote to continue in closed session if required under GCC Section 17A.11(5).

The agenda for this regular meeting is outlined as follows:

4. REGULAR SESSION - 6:00 PM

4.1. Call to Order

4.2. Roll Call

4.3. City Clerk's Report on Posting the Agenda

4.4. Pledge of Allegiance

4.5. Invocation

4.6. Orders of the Day

4.7. Employee Introductions

5. CEREMONIAL ITEMS - Proclamations and Awards

5.1. Retirement Proclamation for LeeAnn McPhillips

6. PRESENTATIONS TO THE COUNCIL

6.1. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

This portion of the meeting is reserved for persons desiring to address the Council on matters within the Gilroy City Council's jurisdiction but not on the agenda. Persons wishing to address the Council in person are requested to complete a Speaker's Card located near the City Clerk and handed to the City Clerk. Persons wishing to address the Council virtually are requested to raise their virtual hand. Speakers are limited to 1 to 3 minutes each, varying at the Mayor's discretion depending on the number of speakers and length of the agenda. The law does not permit Council action or extended discussion of any item not on the agenda except under special circumstances. If Council action is requested, the Council may place the matter on a future agenda.

Written comments to address the Council on matters not on this agenda may be e-mailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1:00 pm on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street, prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1:00pm deadline will be provided to the City Council as soon as practicable. Written material provided by public members under this section of the agenda will be limited to 10 pages in hard copy. An unlimited amount of material may be provided electronically.

7. REPORTS OF COUNCIL MEMBERS

Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Water Commission, Santa Clara Valley Water Joint Water Resources Committee, SCRWA

Council Member Fugazzi – Santa Clara Water Commission (alternate), Silicon Valley Regional Interoperability Authority Board (alternate), SCRWA, Visit Gilroy California

Welcome Center, VTA Mobility Partnership Committee

Council Member Marques – ABAG, Downtown Committee, Santa Clara County Library Joint Powers Authority (alternate), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (alternate)

Council Member Hilton – CalTrain Policy Group, Santa Clara County Expressway Plan 2040 Advisory Board (alternate), Silicon Valley Clean Energy Authority JPA Board, South County Youth Task Force Policy Team, VTA Policy Advisory Committee

Council Member Ramirez – ABAG (alternate), Gilroy Gardens Board of Directors (alternate), Gilroy Sister Cities, Gilroy Youth Task Force (alternate), SCRWA, Santa Clara Housing and Community Development Advisory Committee

Council Member Cline – CalTrain Policy Group (alternate), Gilroy Sister Cities (alternate), Gilroy Youth Task Force, Santa Clara County Expressway Plan 2040 Advisory Board, Silicon Valley Clean Energy Authority JPA Board (alternate), Silicon Valley Regional Interoperability Authority Board, Visit Gilroy California Welcome Center (alternate), VTA Mobility Partnership Committee, VTA Policy Advisory Committee (alternate)

Mayor Bozzo – Gilroy Gardens Board of Directors, Santa Clara Valley Water Joint Water Resources Committee, South County Youth Task Force Policy Team, VTA Board of Directors (alternate), Santa Clara Housing and Community Development Advisory Committee (alternate)

8. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of the City Council or a member of the public. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar prior to the time the City Council votes to approve. If removed, the item will be discussed in the order in which it appears.

- 8.1. Approve the Meeting Minutes of the June 15, 2026 City Council Regular Meeting and the June 29, 2026 City Council Special Meeting**
- 8.2. Approval of Amendment to Axon Fleet 3 Agreement to Procure Six Additional In-car Camera Systems and Maintain Patrol Operations During Fleet Replacement**
- 8.3. Adopt a Resolution Authorizing Recordation of Affordable Housing Covenants on Four City-Owned Parcels**
- 8.4. Appointment of Harjot Sangha as City Administrator Pro Tempore Pursuant to Gilroy City Charter Section 705**
- 8.5. Claim of Jaime Perez (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)**

- 8.6. **Approve the Second Amendment to the 17-Mile Construction Services Inc Contract for Improvements at 641 Old Gilroy Street (Jessup Property), Increasing the Contract Amount by \$8,358 for a Total Contract Value of \$226,058**
- 8.7. **Acceptance of a \$120,766 Grant from the Department of California Highway Patrol Cannabis Tax Fund Grant Program for Driving Under the Influence Enforcement Activities and Adoption of a Resolution of the City Council of the City of Gilroy Approving a Fiscal Year 2027 Budget Amendment**
- 8.8. **Approval of a Partnership with KABOOM! for the Replacement of the Hanna Playground at Las Animas Veterans Park**
- 8.9. **Adoption of an Ordinance of the City Council of the City of Gilroy Amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts**
- 8.10. **Approve the Fourth Amendment to the Agreement with Chrisp Company for On-Call Striping and Pavement Marking Services**
- 8.11. **Reduced Prima Facie Speed Limits on Specific Designated Streets Approaching School Zones to 25 Miles Per Hour**
- 8.12. **Approval of Policy on Public Comment and Meeting Decorum During City Council Meetings**

9. BIDS AND PROPOSALS

- 9.1. **Award a Three-Year Contract to Advanced Integration & Controls (AIC), with the Option to Extend for Two Additional One-Year Periods, for a Total Contract Amount of \$450,000 for Water and Wastewater SCADA Controls System Integration and Support Request Services**
 1. Staff Report:
Tyson Enzweiler, Utilities Operations Manager
 2. Public Comment
 3. Recommended Action:
 1. Award a three-year contract to Advanced Integration & Controls (AIC) for a total amount not to exceed \$450,000 with the option to extend two additional one-year terms for water and wastewater SCADA controls system integration and support request services;
 2. Authorize the City Administrator to execute the contract and all associated documents; and
 3. Authorize the City Administrator to execute up to two subsequent one-year contract amendments, subject to review and recommendation by the Utilities Director.

10. INTRODUCTION OF NEW BUSINESS

10.1. Approval of AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit Memoranda of Understanding and Related Salary Schedules for the Period of July 1, 2026 - June 30, 2029; and the Unrepresented Confidential, Full-Time, Non-Exempt, and Hourly, Part-Time/Temporary/Seasonal Employees Salary Schedules for the Same Period.

1. Staff Report:
LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.
2. Public Comment
3. Recommended Action:
 1. Approve the Memoranda of Understanding with AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit for the period July 1, 2026–June 30, 2029.
 2. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 General Unit.
 3. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 Supervisory Unit.
 4. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with the Unrepresented, Confidential, Full-Time, Non-Exempt employees.
 5. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with the Unrepresented, Hourly, Part-Time/Temporary/Seasonal employees.

11. CITY ADMINISTRATOR'S REPORTS

12. CITY ATTORNEY'S REPORTS

13. ADJOURNMENT



City of Gilroy Proclamation



WHEREAS, LeeAnn McPhillips has honorably served the City of Gilroy for over twenty-seven years; and

WHEREAS, LeeAnn has served the City with dedication and distinction as Human Resources Director & Risk Manager, and Assistant City Administrator. LeeAnn has also provided leadership over Information Technology, Fleet and Facilities, and served as Interim City Clerk, among many other responsibilities throughout her tenure; and

WHEREAS, LeeAnn is a graduate of San Jose State University, where she earned a Bachelor of Science in Business Administration and a Masters of Public Administration. She further advanced her professional expertise by obtaining the Senior Professional in Human Resources and the IPMA Senior Certified Professional certifications; and

WHEREAS, LeeAnn also provided leadership and guidance to the City of Gilroy's Personnel Commission and Youth Commission, reflecting her commitment to both the organization and the community she served; and

WHEREAS, LeeAnn further advanced the human resources profession and local government through her service on numerous professional organizations and committees. She represented the Personnel and Employee Relations Department on the League of California Cities Public Safety Policy Committee, served on the California Public Employers Labor Relations Association Conference Planning Committee, was Vice President of the Local Agency Workers Compensation Excess Committee, and participated in the Santa Clara County Human Resources Directors Group. Through these roles, she contributed to policy development, professional advancement, and collaboration among public agencies throughout California; and

WHEREAS, LeeAnn provided leadership within the City organization by serving as Chair of the Accident Review Board and Safety Committee, while also contributing her time as a member of the Employee Appreciation Committee; and

WHEREAS, LeeAnn skillfully managed the City of Gilroy's Risk Management and Workers' Compensation programs, overseeing complex claims, ensuring regulatory compliance, coordinating with key stakeholders, and implementing strategies to mitigate organizational risk; and

WHEREAS, LeeAnn successfully guided labor negotiations, strengthened recruitment and workforce development efforts, and helped ensure employees had the tools, training, and support needed to succeed. Her contributions have helped shape the organization, strengthen its workforce, and establish practices that will continue to benefit the City and its employees for years to come; and

WHEREAS, LeeAnn's enduring legacy, knowledge, guidance, friendship, and steady presence will be deeply missed by colleagues and employees across the organization. LeeAnn retired from the City of Gilroy on December 30, 2025, and looks forward to a well-earned retirement spent with family, traveling, relaxing, and enjoying many fishing adventures.

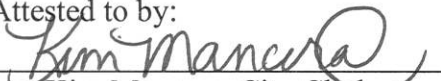
NOW, THEREFORE, I, GREG BOZZO, Mayor of the City of Gilroy, and on behalf of the City Council, the citizens and employees of Gilroy, join in thanking

LEEANN MCPHILLIPS

For her years of service and commitment to the City of Gilroy and
wish her well in retirement for years to come.



Greg Bozzo, Mayor

Attested to by:


Kim Mancera, City Clerk

**City of Gilroy
City Council
DRAFT
Minutes
Monday, June 15, 2026 | 5:00 PM**

1. STUDY SESSION - 5:00 PM

1. Call to Order

The Study Session was called to order by Mayor Bozzo at 5:00 PM.

2. Roll Call

Attendance	Attendee Name
Present	Council Member Dion Bracco Council Member Tom Cline Council Member Terence Fugazzi Council Member Carol Marques Council Member Kelly Ramirez Mayor Greg Bozzo
Absent	Council Member Zach Hilton

3. City Administrator Performance Metrics

City Administrator Matt Morley provided a report.

Mayor Bozzo opened public comment at 5:12 P.M.

With no speakers, Mayor Bozzo closed public comment.

2. REGULAR MEETING - 6:00 PM

1. Call to Order

The regular meeting was called to order by Mayor Bozzo at 6:00 PM.

2. Roll Call

Attendance	Attendee Name
Present	Council Member Dion Bracco Council Member Tom Cline Council Member Terence Fugazzi Council Member Carol Marques Council Member Kelly Ramirez Mayor Greg Bozzo
Absent	Council Member Zach Hilton

3. City Clerk's Report on Posting the Agenda

City Clerk Kim Mancera reported on the Posting of the Agenda.

4. Pledge of Allegiance

Council Member Ramirez led the Pledge of Allegiance.

5. Invocation

Pastor Trevor Van Laar with Gilroy Presbyterian Church led the Invocation.

6. Orders of the Day

Mayor Bozzo announced that item 9.4 will be moved up to follow Item 6.

7. Employee Introductions

Police Chief Brandon Sanchez introduced Police Records Technician I Stefanie Tilley.

3. PRESENTATIONS TO THE COUNCIL

1. Caltrain Presentation

Michelle Bouchard and Jason Baker with Caltrain provided a Presentation and report.

Mayor Bozzo opened public comment at 6:32 P.M.

With no speakers, Mayor Bozzo closed public comment.

Report received.

2. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

Mayor Bozzo opened public comment at 6:40 P.M.

Jan Guffey - Thanked Council for listening to the community and for taking action against the ICE Detention Center.

Perla Garcia - Spoke against the ICE Detention Center.

Georgine Scott-Codiga - Shared information pertaining to the planned Amazon Data Center.

Ellen Marden - Brought awareness to the usage of the City's groundwater.

Rebecca Armendariz - Spoke against the ICE Detention Center.

Sana - Spoke against the ICE Detention Center.

Kelly Larsen - Spoke against the ICE Detention Center.

Clarita Cupa - Spoke against the ICE Detention Center.

Perla Flores - Spoke against the ICE Detention Center.

Sally Armendariz - Spoke against the ICE Detention Center.

Julee Klein - Spoke against the ICE Detention Center.

Erin O'Brien - Spoke against the ICE Detention Center.

Ruby - Expressed concerns on the new hours for the 7th st public parking lot and raised safety concerns.

Yuli Abundis - Spoke against the ICE Detention Center.

Diane Ortiz - Spoke against the ICE Detention Center.

Gretchen Y - Spoke against the ICE Detention Center.

Reymundo Armendariz - Requested Council's continued support of immigrant labor as well as the Latino Community.

Angelique Montes - Spoke against the ICE Detention Center.

Tatiana Villasenor - Spoke against the ICE Detention Center.

Lauren H - Spoke against the planned Amazon Data Center.

With no further speakers, Mayor Bozzo closed public comment.

4. REPORTS OF COUNCIL MEMBERS

- 1. Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Water Commission, Santa Clara Valley Water Joint Water Resources Committee, SCRWA**

Council Member Fugazzi – Santa Clara Water Commission (alternate), Silicon Valley Regional Interoperability Authority Board (alternate), SCRWA, Visit Gilroy California Welcome Center, VTA Mobility Partnership Committee

Council Member Marques – ABAG, Downtown Committee, Santa Clara County Library Joint Powers Authority (alternate), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (alternate)

Council Member Hilton – CalTrain Policy Group, Santa Clara County Expressway Plan 2040 Advisory Board (alternate), Silicon Valley Clean Energy

Authority JPA Board, South County Youth Task Force Policy Team, VTA Policy Advisory Committee

Council Member Ramirez – ABAG (alternate), Gilroy Gardens Board of Directors (alternate), Gilroy Sister Cities, Gilroy Youth Task Force (alternate), SCRWA, Santa Clara Housing and Community Development Advisory Committee

Council Member Cline – CalTrain Policy Group (alternate), Gilroy Sister Cities (alternate), Gilroy Youth Task Force, Santa Clara County Expressway Plan 2040 Advisory Board, Silicon Valley Clean Energy Authority JPA Board (alternate), Silicon Valley Regional Interoperability Authority Board, Visit Gilroy California Welcome Center (alternate), VTA Mobility Partnership Committee, VTA Policy Advisory Committee (alternate)

Mayor Bozzo – Gilroy Gardens Board of Directors, Santa Clara Valley Water Joint Water Resources Committee, South County Youth Task Force Policy Team, VTA Board of Directors (alternate), Santa Clara Housing and Community Development Advisory Committee (alternate)

Council Member Bracco - No report.

Council Member Fugazzi - No report.

Council Member Marques - No report.

Council Member Ramirez - Reported that she participated in a League of California Cities Housing Community Economic Development Policy meeting and that she also attended the Unhoused Ad Hoc Committee meeting. She also shared that she participated in a Focus Agriculture Session through Agriculture Santa Clara. Lastly, she expressed her support of city staff and shared her disappointment with the community for their recent treatment of city staff.

Council Member Cline - Expressed his gratitude for the work City staff does and asked the community to refrain from personal attacks on City staff.

Mayor Bozzo - Reported on scholarships that were given to students in Gilroy.

5. BOARD AND COMMISSION APPOINTMENTS

1. Appointment of Members to the Youth Commission

City Clerk Kim Mancera provided a report.

The following appointments were made by the City Council.

Youth Commission

Abigail Nguyen - Full term ending 06/30/2028

Jaxson Liu - Full term ending 06/30/2028

Jeremy Vu - Full term ending 06/30/2028

6. CONSENT CALENDAR

Mayor Bozzo opened public comment at 7:10 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Approve the consent calendar items 6.1 through 6.4 and items 6.6 through 6.12.

RESULT: Passed

MOVER: Council Member Kelly Ramirez

SECONDER: Council Member Carol Marques

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

Motion

Approve the consent calendar item 6.5.

RESULT: Passed

MOVER: Council Member Kelly Ramirez

SECONDER: Council Member Carol Marques

AYES: Council Member Dion Bracco, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

ABSENT: Council Member Zach Hilton

NAYS: None

ABSTAIN: Council Member Tom Cline

1. **Approve the June 1, 2026 City Council Regular Meeting and the June 6, 2026 Coffee with the Mayor Meeting Minutes**
2. **Adopt a Resolution Setting the 2026 Fireworks Service Fee**
3. **Claim of John Ganzel (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)**
4. **Reduced Speed Limits on Specific Designated Streets in School Zones and Approaching School Zones to 15 Miles Per Hour and 20 Miles Per Hour**
5. **Approve an Amendment to the Professional Services Agreement with Gilroy Chamber of Commerce for Programs Supporting Workforce Development and Business Retention, Expansion, and Attraction, and Adopt a Budget Amendment Resolution**

6. **Authorize the City Administrator to enter into a one-year service agreement with the County of Santa Clara for Animal Sheltering Services for the period of July 1, 2026 through June 30, 2027.**
7. **Adopt a Resolution of the City Council of the City of Gilroy Setting the Appropriation Limit for Fiscal Year 2026-27 (FY27)**
8. **Consent to the Appointment of Michael Horta as Human Resources Director/Risk Manager**
9. **Adoption of Resolution Denying Appeal and Modifying Administrative Hearing Officer's Decision Regarding Business License No. 16606725 and Tobacco Retailer's Permit issued to The Rock Zone**
10. **Adopt a Resolution of the City Council of the City of Gilroy Setting the Tax Rate for Fiscal Year 2026-27 (FY27) for the Gilroy Community Library Project Bonds**
11. **Approval of a Memorandum of Understanding with the County of Santa Clara for Crime Laboratory Services and Authorize the City Administrator to Execute the Agreement**
12. **Consent to the Appointment of Derek Cray as Utilities Director**

9. INTRODUCTION OF NEW BUSINESS

4. **Consideration of Options for Amending the Architectural and Site Review Permit Process (FAIR Memo - Marques and Ramirez)**

Planning Manager Michael Fossati provided a presentation and report.

Mayor Bozzo opened public comment at 7:28 P.M.

Noah Hayes - Spoke opposing the planned Amazon Data Center.

Ariana Casey - Raised questions about Environmental Impact Report tied to the planned Amazon Data Center.

Rachael Chambers - Spoke opposing the planned Amazon Data Center.

John Bobst - Spoke opposing the planned Amazon Data Center.

Kyle - Spoke opposing the planned Amazon Data Center.

Jan Guffey - Spoke opposing the planned Amazon Data Center.

Michelle Nelson - Raised concerns tied to the planned Amazon Data Center.

Cammie Brown - Spoke opposing the planned Amazon Data Center.

Heidi Mayer - Spoke opposing the planned Amazon Data Center.

Charleene Puder - Spoke opposing the planned Amazon Data Center.

Steve Domingues - Spoke opposing the planned Amazon Data Center.

Pat McBride - Spoke opposing the planned Amazon Data Center.

Perla Garcia - Spoke opposing the planned Amazon Data Center.

Mak Gupta - Urged Council Members to do what is right for the community.

Georgine Scott-Codiga - Spoke opposing the planned Amazon Data Center.

Debi Kerrick - Spoke opposing the planned Amazon Data Center.

Landon Sepulveda - Spoke opposing the planned Amazon Data Center.

Daphne Barker - Spoke opposing the planned Amazon Data Center.

Ron Kirkish - Spoke in favor of the planned Amazon Data Center.

Armando Benavides - Spoke opposing the planned Amazon Data Center.

Annedore Kushner - Spoke opposing the planned Amazon Data Center.

Dianne Eidson - Raised concerns tied to the planned Amazon Data Center.

Britt Smith - Spoke opposing the planned Amazon Data Center.

Coleen Crew - Spoke opposing the planned Amazon Data Center.

Connie Ludewig - Expressed concerns pertaining to the City's water supply.

Deepak W. - Spoke opposing the planned Amazon Data Center.

Joshua T. - Spoke opposing the planned Amazon Data Center.

Jennifer Volz - Spoke opposing the planned Amazon Data Center.

Connie Rogers - Spoke opposing the planned Amazon Data Center.

With no further speakers, Mayor Bozzo closed public comment.

City Council directed staff to enhance public outreach and initiate the process to amend the Gilroy Zoning Code to require Planning Commission review and approval for development projects that require an Environmental Impact Report and have significant and unavoidable impact(s).

The meeting recessed at 8:25 P.M. and reconvened at 8:44 P.M.

7. BIDS AND PROPOSALS

1. **Award a Professional Services Agreement to Kimley-Horn for a Not-to-exceed Amount of \$237,117 for the Development of the City of Gilroy Comprehensive Roadway Safety Action Plan, Add the Project to the Capital Improvement Program, and Adopt a Budget Amendment Resolution to appropriate Grant and Gas Tax Funds to the Project**

City Engineer Nisha Patel provided a presentation and report.

Mayor Bozzo opened public comment at 8:54 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Award a Professional Services Agreement to Kimley-Horn for an amount not to exceed \$237,117.25 for the development of the City of Gilroy Comprehensive Roadway Safety Action Plan (Project) No. 26-RFP-PW-529, and authorize the City Administrator to execute the contract and associated documents.

RESULT: Failed

MOVER: Council Member Tom Cline

SECONDER: Council Member Kelly Ramirez

AYES: Council Member Tom Cline, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: Council Member Dion Bracco, Council Member Terence Fugazzi, Council Member Carol Marques

ABSENT: Council Member Zach Hilton

2. **Adopt a Resolution Approving the Plans and Specifications for the Las Animas Park Pickleball Courts Project, Appropriating \$499,190 to the Project, and Awarding a Construction Contract to Monterey Peninsula Engineering for an Amount Not to Exceed \$1,226,401 with a Total Project Construction Cost Including Contingency of \$1,288,000**

City Engineer Nisha Patel provided a presentation and report.

Mayor Bozzo opened public comment at 9:12 P.M.

Wendy - Spoke in support of the Pickleball courts and urged Council to push this project forward.

Emily - Spoke in support of the Pickleball courts.

With no further speakers, Mayor Bozzo closed public comment.

Motion

Adopt a resolution approving the plans and specifications for the Las Animas Park

Pickleball Courts Project No. 26-PW-305, appropriating \$155,000 from the Facilities Fund (615) and \$344,190 from the Recreation Fund (290) to the project budget, awarding a construction contract to Monterey Peninsula Engineering for an amount not to exceed \$1,226,401, establishing a 5% contingency for a total construction contract amount not to exceed \$1,288,000, authorizing the City Administrator to execute the construction contract, and authorizing staff to approve any amendments, extensions, and change orders until completion of the project in accordance with the plans and specifications up to the project construction amount.

RESULT: **Passed**

MOVER: Council Member Carol Marques

SECONDER: Council Member Dion Bracco

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

8. PUBLIC HEARINGS

1. Public Hearing and Adoption Pursuant to California Water Code Section 10642 for the 2025 Urban Water Management Plan and the 2025 Water Shortage Contingency Plan

Utilities Sr. Management Analyst Izabela Cirloganu introduced Tony Akel with Akel Engineering Group, Inc. Mr. Akel provided a presentation and report.

Mayor Bozzo opened the public hearing at 9:41 P.M.

Michelle Nelson - Expressed concerns over how much water the planned Amazon Data Center will utilize.

Georgine Scott-Codiga - Spoke opposing the Adoption of this Water Shortage Contingency Plan

Armando Benavides - Urged Council to update the City code surrounding water.

Connie Rogers - Expressed concerns over how much water the planned Amazon Data Center will utilize.

Rose Barry - Expressed concerns over how much water the planned Amazon Data Center will utilize.

Pat McBride - Expressed concerns over how much water the planned Amazon Data Center will utilize.

With no further speakers, Mayor Bozzo closed the public hearing.

Report received.

Motion

Adopt a resolution approving the 2025 Urban Water Management Plan.

RESULT: **Passed**

MOVER: Council Member Tom Cline

SECONDER: Council Member Kelly Ramirez

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

2. Introduction of an Ordinance of the City Council of the City of Gilroy Amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts

Deputy Director of Community Development Bryce Atkins provided a report and presentation.

Mayor Bozzo opened the public hearing at 9:53 P.M.

With no speakers, Mayor Bozzo closed the public hearing.

Motion

Motion to read the ordinance by title only and waive further reading.

RESULT: **Passed**

MOVER: Council Member Carol Marques

SECONDER: Council Member Terence Fugazzi

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

Motion

Introduce an ordinance of the City Council of the City of Gilroy amending Gilroy City Code Chapter 5D, vacant commercial space in Downtown Historic and Downtown Expansion District.

RESULT: **Passed**

MOVER: Council Member Carol Marques

SECONDER: Council Member Terence Fugazzi

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

3. Resolution Declaring Results of Majority Protest Proceedings to Renew the Gilroy Tourism Business Improvement District

Economic Development Director Raissa de la Rosa provided a report and a presentation.

Mayor Bozzo opened the public hearing at 9:57 P.M.

With no speakers, Mayor Bozzo closed the public hearing.

City Clerk Kim Mancera declared the results of the majority protest proceedings.

Motion

Adopt a resolution to renew the Gilroy Tourism Business Improvement District.

RESULT: **Passed**

MOVER: Council Member Kelly Ramirez

SECONDER: Council Member Tom Cline

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

9. INTRODUCTION OF NEW BUSINESS

1. Charles Lux Drive and Lopez Way All Way Stop Control Analysis and Las Animas Elementary School Area Study

City Engineer Nisha Patel introduced Jen Schreiber with Parametrix. Ms. Schreiber provided a presentation and report.

Mayor Bozzo opened public comment at 10:15 P.M.

With no speakers, Mayor Bozzo closed public comment.

Report received.

2. Fiscal Year (FY) 2026 Third Quarter Budget and General Fund Forecast Update and Adoption of Resolutions Amending the Budget and Updating the Position Control List

Finance Director Cindy Murphy provided a report and presentation.

Mayor Bozzo opened public comment at 10:30 P.M.

With no speakers, Mayor Bozzo closed public comment.

Report received.

Motion

Adopt a resolution approving the updated Position Control List for FY26 and FY27.

RESULT: **Passed**

MOVER: Council Member Tom Cline

SECONDER: Council Member Carol Marques

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

Motion

Adopt a budget amendment resolution for FY26 and FY27.

RESULT: **Passed**

MOVER: Council Member Carol Marques

SECONDER: Council Member Dion Bracco

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

Motion

Authorize the City Administrator to submit a bid for a Reserve Fire Engine from the Mountain View Fire Department for an amount not to exceed \$150,000 and execute all related documents necessary to procure the Reserve Fire Engine if Gilroy's bid is accepted.

RESULT: **Passed**

MOVER: Council Member Tom Cline

SECONDER: Council Member Kelly Ramirez

AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo

NAYS: None

ABSENT: Council Member Zach Hilton

3. Introduction and Adoption of an Urgency Ordinance Amending Chapter 8B of the Gilroy City Code Relating to Voluntary Campaign Expenditure Ceilings

Assistant City Administrator Harjot Sangha provided a presentation and report.

Mayor Bozzo opened public comment at 10:34 P.M.

With no speakers, Mayor Bozzo closed public comment.

Motion

Introduce the ordinance by title only and waive any further reading.

RESULT: Passed
MOVER: Council Member Dion Bracco
SECONDER: Council Member Terence Fugazzi
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo
NAYS: None
ABSENT: Council Member Zach Hilton

Motion

Adopt an urgency ordinance amending Chapter 8B of the Gilroy City Code relating to the voluntary campaign expenditure ceiling and making the finding that immediate implementation of the amendments is necessary to provide certainty to candidates and committees participating in the upcoming 2026 election cycle and to promote orderly election administration.

RESULT: Passed
MOVER: Council Member Kelly Ramirez
SECONDER: Council Member Tom Cline
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo
NAYS: None
ABSENT: Council Member Zach Hilton

10. FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

11. CITY ADMINISTRATOR'S REPORTS

City Administrator Matt Morley reported that he attended the Cities Association Summer meeting focused on Emergency Preparedness.

12. CITY ATTORNEY'S REPORTS

No report.

13. CLOSED SESSION

City Attorney Andy Faber announced the closed session item.

City Attorney Andy Faber opened public comment at 10:37 P.M.

With no speakers, City Attorney Andy Faber closed public comment.

Adjourn to closed session 10:38 P.M.

Motion

Remain in closed session.

RESULT: Passed
MOVER: None
SECONDER: None
AYES: Council Member Dion Bracco, Council Member Tom Cline, Council Member Terence Fugazzi, Council Member Carol Marques, Council Member Kelly Ramirez, Mayor Greg Bozzo
NAYS: None
ABSENT: Council member Zach Hilton

1. CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING UNITS Pursuant to GC Section 54957.6 and GCC Section 17 A.11 (4)

Collective Bargaining Units: AFSCME Local 101 (General & Supervisory Units) Representing Employees Affiliated with AFSCME, Local 101; Local 2805, IAFF Fire Unit Representing Gilroy Firefighters

City Negotiators: Matt Morley, City Administrator; LeeAnn McPhillips, Human Resources Director/Risk Manager

Anticipated Issues(s) Under Negotiation: Wages, Hours, Benefits, Working Conditions; Memorandums of Understanding: City of Gilroy and Gilroy Fire Fighters Local 2805, City of Gilroy and AFSCME, Local 101 General & Supervisory Units

14. ADJOURN TO OPEN SESSION

There was no reportable action from the closed session.

15. ADJOURNMENT

With no additional business before the Council, the meeting was adjourned at 11:04 P.M.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the City Council of the City of Gilroy on XXXXXXXX, 20XX.

Kim Mancera
City Clerk



CITY COUNCIL REGULAR MEETING AGENDA

CITY COUNCIL CHAMBERS, CITY HALL
7351 ROSANNA STREET, GILROY, CA
95020

5:00 PM CLOSED SESSION
6:00 PM REGULAR SESSION

MONDAY, JULY 27, 2026 | 6:00 PM

CITY COUNCIL PACKET MATERIALS ARE AVAILABLE ONLINE AT www.cityofgilroy.org
AGENDA CLOSING TIME IS 5:00 P.M. THE FRIDAY PRIOR TO THE MEETING

Remote Participation

Gilroy City Council meetings are held in person. The community may attend in person or via Zoom (video/teleconference). The meetings are also live-streamed on the City's [website](http://www.cityofgilroy.org) and [YouTube](https://www.youtube.com/c/CityofGilroy).

Those wishing to participate in the meetings remotely may join using the following link: <https://bit.ly/GilroyCityCouncilMeetings>. Additionally, Zoom participants must be running the latest version or will be required to update to it before joining the meeting remotely.

Remote participation is also available by calling (669) 900-6833 and entering webinar ID: 930 2066 6240#. Dial *9 to raise your hand, and be called upon to speak for up to 3 minutes. Dial *6 to unmute.

Public Comment

COMMENTS BY THE PUBLIC WILL BE TAKEN ON AGENDA ITEMS BEFORE ACTION IS TAKEN BY THE CITY COUNCIL. Public testimony is subject to reasonable regulations, including but not limited to time restrictions for each individual speaker. ****Please limit your comments to 3 minutes.**** The amount of time allowed per speaker may vary at the Mayor's discretion depending on the number of speakers and length of the agenda.

Public comment will be heard first from those attending in person, with the submission of a speaker card. Once that is complete, we will move to those on Zoom who have their virtual hand raised. Following public comment from Zoom, we will close the public comment period for that item.

Please note: Once the third speaker has provided comment on an item, there will be no further speaker cards or virtual raised hands taken for that item.

Written comments on any agenda item may be emailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1 p.m. on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1 p.m. deadline

MAYOR
Greg Bozzo

COUNCIL MEMBERS
Dion Bracco
Tom Cline
Terence Fugazzi
Zach Hilton
Carol Marques
Kelly Ramirez

will be provided to the City Council as soon as practicable. Written comments are also available on the City's Public Records Portal at bit.ly/3NuS1IN.



In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at least 72 hours prior to the meeting at (408) 846-0204 or cityclerk@cityofgilroy.org to help ensure that reasonable arrangements can be made.



If you challenge any planning or land use decision made at this meeting in court, you may be limited to raising only those issues you or someone else raised at the public hearing held at this meeting, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

A Closed Session may be called during this meeting pursuant to Government Code Section 54956.9 (d)(2) if a point has been reached where, in the opinion of the legislative body of the City on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the City.

Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available with the agenda packet on the City website at www.cityofgilroy.org subject to the Staff's ability to post the documents before the meeting.

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, task forces, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE [OPEN GOVERNMENT ORDINANCE](#), TO RECEIVE A FREE COPY OF THE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION STAFF AT (408) 846-0204.

If you need assistance with translation and would like to speak during public comment, please contact the City Clerk a minimum of 72 hours prior to the meeting at 408-846-0204 or e-mail the City Clerk's Office at cityclerk@cityofgilroy.org.

Si necesita un intérprete durante la junta y gustaría dar un comentario público, comuníquese con el Secretario de la Ciudad un mínimo de 72 horas antes de la junta al 408-846-0204 o envíe un correo electrónico a la Oficina del Secretario de la Ciudad a cityclerk@cityofgilroy.org.



To access written translation during the meeting, please scan the QR Code or click this link:

Para acceder a la traducción durante la reunión, por favor escanee el código QR o haga clic en el enlace:

www.cityofgilroy.org/translate

Choose Language and Click Attend | Seleccione su lenguaje y haga clic en

asistir

Use a headset on your phone for audio or read the transcript on your device.

Use sus auriculares para escuchar el audio o leer la transcripción en el dispositivo.

1. CLOSED SESSION - 5:00 PM

1.1. Call to Order

1.2. Roll Call

**1.3. CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING UNITS
Pursuant to GC Section 54957.6 and GCC Section 17 A.11 (4)**

**Collective Bargaining Units: Local 2805, IAFF Fire Unit Representing Gilroy
Firefighters**

**City Negotiators: Matt Morley, City Administrator; LeeAnn McPhillips, Human
Resources Director/Risk Manager**

**Anticipated Issues(s) Under Negotiation: Wages, Hours, Benefits, Working
Conditions; Memorandums of Understanding: City of Gilroy and Gilroy Fire
Fighters Local 2805**

2. OPPORTUNITY FOR PUBLIC COMMENT ON CLOSED SESSION

3. ADJOURN TO OPEN SESSION

Report of any action taken in Closed Session and vote or abstention of each Council Member if required by Government Code Section 54957.1 and GCC Section 17A.13(b); Public Report of the vote to continue in closed session if required under GCC Section 17A.11(5).

The agenda for this regular meeting is outlined as follows:

4. REGULAR SESSION - 6:00 PM

4.1. Call to Order

4.2. Roll Call

4.3. City Clerk's Report on Posting the Agenda

4.4. Pledge of Allegiance

4.5. Invocation

4.6. Orders of the Day

4.7. Employee Introductions

5. PRESENTATIONS TO THE COUNCIL

5.1. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

This portion of the meeting is reserved for persons desiring to address the Council on matters within the Gilroy City Council's jurisdiction but not on the agenda. Persons wishing to address the Council in person are requested to complete a Speaker's Card located near the City Clerk and handed to the City Clerk. Persons wishing to address the Council virtually are requested to raise their virtual hand. Speakers are limited to 1 to 3 minutes each, varying at the Mayor's discretion depending on the number of speakers and length of the agenda. The law does not permit Council action or extended discussion of any item not on the agenda except under special circumstances. If Council action is requested, the Council may place the matter on a future agenda.

Written comments to address the Council on matters not on this agenda may be e-mailed to the City Clerk's Office at publiccomment@cityofgilroy.org or mailed to the Gilroy City Clerk's Office at City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by the City Clerk's Office by 1:00 pm on the day of a Council meeting will be distributed to the City Council prior to or at the meeting and available for public inspection with the agenda packet located in the lobby of Administration at City Hall, 7351 Rosanna Street, prior to the meeting. Any correspondence received will be incorporated into the meeting record. Items received after the 1:00pm deadline will be provided to the City Council as soon as practicable. Written material provided by public members under this section of the agenda will be limited to 10 pages in hard copy. An unlimited amount of material may be provided electronically.

6. REPORTS OF COUNCIL MEMBERS

Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Water Commission, Santa Clara Valley Water Joint Water Resources Committee, SCRWA

Council Member Fugazzi – Santa Clara Water Commission (alternate), Silicon Valley Regional Interoperability Authority Board (alternate), SCRWA, Visit Gilroy California Welcome Center, VTA Mobility Partnership Committee

Council Member Marques – ABAG, Downtown Committee, Santa Clara County Library Joint Powers Authority (alternate), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (alternate)

Council Member Hilton – CalTrain Policy Group, Santa Clara County Expressway Plan 2040 Advisory Board (alternate), Silicon Valley Clean Energy Authority JPA Board, South County Youth Task Force Policy Team, VTA Policy Advisory Committee

Council Member Ramirez – ABAG (alternate), Gilroy Gardens Board of Directors (alternate), Gilroy Sister Cities, Gilroy Youth Task Force (alternate), SCRWA, Santa Clara Housing and Community Development Advisory Committee

Council Member Cline – CalTrain Policy Group (alternate), Gilroy Sister Cities (alternate), Gilroy Youth Task Force, Santa Clara County Expressway Plan 2040 Advisory Board, Silicon Valley Clean Energy Authority JPA Board (alternate), Silicon Valley Regional Interoperability Authority Board, Visit Gilroy California Welcome Center (alternate), VTA Mobility Partnership Committee, VTA Policy Advisory Committee (alternate)

Mayor Bozzo – Gilroy Gardens Board of Directors, Santa Clara Valley Water Joint Water Resources Committee, South County Youth Task Force Policy Team, VTA Board of Directors (alternate), Santa Clara Housing and Community Development Advisory Committee (alternate)

7. APPEAL HEARING

- 7.1. Appeal Hearing of the Final Decision in the Matter of the Administrative Hearing regarding Business License and Tobacco Retailer's Permit Issued to Account No. 16623337 - Tony's Smoke and Gift Shop, located at 231 1st Street, Gilroy, California**

8. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of the City Council or a member of the public. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar prior to the time the City Council votes to approve. If removed, the item will be discussed in the order in which it appears.

- 8.1. Approve the Meeting Minutes of the June 15, 2026 City Council Regular Meeting and the June 29, 2026 City Council Special Meeting**
- 8.2. Approval of Amendment to Axon Fleet 3 Agreement to Procure Six Additional In-car Camera Systems and Maintain Patrol Operations During Fleet Replacement**
- 8.3. Adopt a Resolution Authorizing Recordation of Affordable Housing Covenants on Four City-Owned Parcels**
- 8.4. Appointment of Harjot Sangha as City Administrator Pro Tempore Pursuant to Gilroy City Charter Section 705**
- 8.5. Claim of Jaime Perez (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)**
- 8.6. Approve the Second Amendment to the 17-Mile Construction Services Inc Contract for Improvements at 641 Old Gilroy Street (Jessup Property), Increasing the Contract Amount by \$8,358 for a Total Contract Value of \$226,058**
- 8.7. Acceptance of a \$120,766 Grant from the Department of California Highway Patrol Cannabis Tax Fund Grant Program for Driving Under the Influence Enforcement Activities and Adoption of a Resolution of the City Council of the City of Gilroy Approving a Fiscal Year 2027 Budget Amendment**

- 8.8. **Approval of a Partnership with KABOOM! for the Replacement of the Hanna Playground at Las Animas Veterans Park**
- 8.9. **Adoption of an Ordinance of the City Council of the City of Gilroy Amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts**
- 8.10. **Approve the Fourth Amendment to the Agreement with Chrisp Company for On-Call Striping and Pavement Marking Services**
- 8.11. **Reduced Prima Facie Speed Limits on Specific Designated Streets Approaching School Zones to 25 Miles Per Hour**
- 8.12. **Approval of Policy on Public Comment and Meeting Decorum During City Council Meetings**

9. BIDS AND PROPOSALS

- 9.1. **Award a Three-Year Contract to Advanced Integration & Controls (AIC), with the Option to Extend for Two Additional One-Year Periods, for a Total Contract Amount of \$450,000 for Water and Wastewater SCADA Controls System Integration and Support Request Services**
 1. Staff Report:
Tyson Enzweiler, Utilities Operations Manager
 2. Public Comment
 3. Recommended Action:
 1. Award a three-year contract to Advanced Integration & Controls (AIC) for a total amount not to exceed \$450,000 with the option to extend two additional one-year terms for water and wastewater SCADA controls system integration and support request services;
 2. Authorize the City Administrator to execute the contract and all associated documents; and
 3. Authorize the City Administrator to execute up to two subsequent one-year contract amendments, subject to review and recommendation by the Utilities Director.

10. INTRODUCTION OF NEW BUSINESS

- 10.1. **Approval of AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit Memoranda of Understanding and Related Salary Schedules for the Period of July 1, 2026 - June 30, 2029**
 1. Staff Report:
LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.
 2. Public Comment

3. Recommended Action:

1. Approve the Memoranda of Understanding with AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit for the period July 1, 2026–June 30, 2029.
2. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 General Unit.
3. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 Supervisory Unit.
4. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with the Unrepresented, Confidential, Full-Time, Non-Exempt employees and Unrepresented, Hourly, Part-Time/Temporary/Seasonal employees.

11. CITY ADMINISTRATOR'S REPORTS

12. CITY ATTORNEY'S REPORTS

13. ADJOURNMENT



City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of Amendment to Axon Fleet 3 Agreement to Procure Six Additional In-car Camera Systems and Maintain Patrol Operations During Fleet Replacement

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Police
 Submitted by: Brandon Sanchez, Police Chief
 Prepared by: Luke Powell, Police Captain

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

Authorize the City Administrator to execute an amendment to the existing Axon Enterprise, Inc. agreement for the purchase of six (6) additional Fleet 3 in-car camera systems at a total cost not to exceed \$139,116.56 over a 94-month term and authorize annual expenditures of approximately \$17,389.59 from the Police Department's operating budget.

EXECUTIVE SUMMARY

The Police Department is requesting approval to purchase six additional Axon Fleet 3 in-car camera systems to support the deployment of six replacement patrol vehicles while maintaining the Department's current patrol fleet in service.

The original Axon agreement approved by the City Council in 2023 was based on the patrol fleet inventory known at that time and did not include contingency Fleet 3 systems for future vehicle replacement cycles, fleet expansion, or prolonged vehicle upfitting delays. As a result, the Department currently lacks sufficient Fleet 3 systems to simultaneously maintain existing patrol vehicles in service while outfitting newly purchased patrol vehicles.

Approval of this request will ensure uninterrupted patrol operations, continued video

evidence collection, officer accountability, and public transparency while replacement patrol vehicles are prepared for deployment.

BACKGROUND

In June 2023, the City Council approved a comprehensive ten-year agreement with Axon Enterprise, Inc. for body-worn cameras, Fleet 3 in-car camera systems, conducted energy weapons (Tasers), and digital evidence management services.

The number of Fleet 3 camera systems included in the original agreement was based on the Department's active patrol fleet and anticipated replacement schedule at that time. The agreement did not include contingency camera systems to accommodate future fleet growth, overlapping vehicle replacement cycles, extended vehicle upfitting timelines, or simultaneous operation of both outgoing and incoming patrol vehicles.

Over the past several years, patrol vehicle procurement and emergency equipment installation timelines have increased significantly. Vehicle upfitting delays can now exceed six months from delivery to deployment.

Additionally, delays associated with the upfitting of three new patrol vehicles created a temporary mismatch between available Fleet 3 camera systems and vehicles ready for deployment. Those vehicles are currently undergoing final upfitting and have not yet been placed into service. This experience highlighted an operational gap within the original agreement and demonstrated the need for additional Fleet 3 capacity to accommodate future vehicle replacement cycles and unforeseen deployment delays.

ANALYSIS

The Police Department is currently preparing six replacement patrol vehicles for deployment.

Six additional Fleet 3 systems are being requested because each replacement patrol vehicle requires its own dedicated in-car camera system. The original Axon agreement did not include contingency Fleet 3 systems to support overlapping vehicle replacement cycles or extended upfitting delays.

Under the current Axon agreement, all Fleet 3 camera systems are assigned to active patrol vehicles. Without additional Fleet 3 systems, the Department would be required to remove camera equipment from existing patrol vehicles and place those vehicles out of service while the equipment is transferred and installed into replacement vehicles.

Given current upfitting timelines, this process could remove patrol vehicles from service for several months while replacement vehicles are equipped and prepared for deployment. Reducing the number of available patrol vehicles would impact operational readiness, limit deployment flexibility, and reduce the Department's ability to respond to

calls for service and special events.

The purchase of six additional Fleet 3 systems will allow the Department to maintain all existing patrol vehicles in service while simultaneously outfitting six replacement patrol vehicles. Once deployed, the Department will have the flexibility necessary to manage future vehicle replacement cycles without impacting patrol operations or reducing fleet availability.

The proposed purchase is not intended to expand the Department's in-car camera program beyond its current scope. Rather, it addresses an unforeseen operational need that was not contemplated in the original agreement and ensures continuity of patrol operations and evidence collection.

ALTERNATIVES

1. Approve the proposed amendment and purchase six additional Fleet 3 systems.
2. Do not approve the amendment. If this option is selected, the Police Department will be required to remove Fleet 3 systems from existing patrol vehicles and place those vehicles out of service while equipment is transferred to replacement vehicles. This would reduce fleet availability and impact operational readiness.

FISCAL IMPACT/FUNDING SOURCE

The total cost of the proposed amendment is \$139,116.56 over a 94-month term, including applicable taxes. Annual payments are approximately \$17,389.59; Funding for this purchase is available within the Police Department's existing operating budget's anticipated savings and does not require an additional General Fund appropriation for the current fiscal year. Future fiscal years will be appropriated through budget development cycles over the term of the agreement. The agreement includes six Fleet 3 camera systems, installation services, software licensing, unlimited evidence storage, warranties, and future technology refreshes.

PUBLIC OUTREACH

This item relates to the administration of existing Police Department technology systems and does not require additional public outreach.

NEXT STEPS

Upon Council approval, the City Administrator will execute the agreement amendment

with Axon Enterprise, Inc. The Police Department will coordinate installation of the Fleet 3 systems into six replacement patrol vehicles and incorporate the equipment into existing operations.

Attachments:

1. Axon Fleet 3 Quote



Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic:(800) 978-2737
International: +1.800.978.2737

Q-778968-46042KP

Issued: 01/20/2026

Quote Expiration: 02/28/2026

Estimated Contract Start Date: 04/01/2026

Account Number: 112140

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: \$0.00

SHIP TO	BILL TO
Gilroy Police Department - CA 7301 Hanna St Gilroy, CA 95020-6129 USA	Gilroy Police Department - CA 7301 Hanna St Gilroy CA 95020-6129 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Kyle Panasewicz Phone: +1 4803294734 Email: kpanasewicz@axon.com Fax: (480) 905-2071	Bobby Griffith Phone: Email: bgriffith@cityofgilroy.org Fax:

Quote Summary

Program Length	94 Months
TOTAL COST	\$134,468.88
ESTIMATED TOTAL W/ TAX	\$139,116.56

Discount Summary

Average Savings Per Year	\$7,813.18
TOTAL SAVINGS	\$61,203.24

Payment Summary

Date	Subtotal	Tax	Total
Mar 2026	\$16,808.61	\$580.98	\$17,389.59
Jan 2027	\$16,808.61	\$580.98	\$17,389.59
Jan 2028	\$16,808.61	\$580.98	\$17,389.59
Jan 2029	\$16,808.61	\$580.98	\$17,389.59
Jan 2030	\$16,808.61	\$580.98	\$17,389.59
Jan 2031	\$16,808.61	\$580.98	\$17,389.59
Jan 2032	\$16,808.61	\$580.98	\$17,389.59
Jan 2033	\$16,808.61	\$580.82	\$17,389.43
Total	\$134,468.88	\$4,647.68	\$139,116.56

Quote Unbundled Price:	\$195,664.20
Quote List Price:	\$151,316.88
Quote Subtotal:	\$134,468.88

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	1		\$108.00	\$0.00	\$0.00	\$0.00	\$0.00
Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	94	\$317.05	\$238.42	\$238.42	\$134,468.88	\$4,647.68	\$139,116.56
Total							\$134,468.88	\$4,647.68	\$139,116.56

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
Fleet 3 Advanced 10 Year	101675	AXON FLEET - ERICSSON CRADLEPOINT R980-5GD-A+5YR NETCLOUD	6	1	03/01/2026
Fleet 3 Advanced 10 Year	101924	AXON FLEET - TAOGLAS ANT - 7-IN-1 4CELL 2WIFI 1GNSS INT	6	1	03/01/2026
Fleet 3 Advanced 10 Year	70112	AXON SIGNAL - VEHICLE	6	1	03/01/2026
Fleet 3 Advanced 10 Year	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	6	1	03/01/2026
Fleet 3 Advanced 10 Year	72040	AXON FLEET - TAP REFRESH 1 - 2 CAMERA KIT	6	1	01/01/2029
Fleet 3 Advanced 10 Year	100092	AXON FLEET - TAP REFRESH 2 - 2 CAMERA KIT	6	1	01/01/2034

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Fleet 3 Advanced 10 Year	80400	AXON EVIDENCE - FLEET VEHICLE LICENSE	6	04/01/2026	01/31/2034
Fleet 3 Advanced 10 Year	80401	AXON FLEET 3 - ALPR LICENSE - 1 CAMERA	6	04/01/2026	01/31/2034
Fleet 3 Advanced 10 Year	80402	AXON FLEET - LICENSE - REAL-TIME LOCATION, ALERTS, & LIVESTREAM	6	04/01/2026	01/31/2034
Fleet 3 Advanced 10 Year	80410	AXON EVIDENCE - STORAGE - FLEET 1 CAMERA UNLIMITED	12	04/01/2026	01/31/2034

Services

Bundle	Item	Description	QTY
Fleet 3 Advanced 10 Year	100738	AXON FLEET 3 - SIM INSERTION - VZW 4FF	6
Fleet 3 Advanced 10 Year	73391	AXON FLEET 3 - DEPLOYMENT PER VEHICLE - NOT OVERSIZED	6
Fleet 3 Advanced 10 Year	73392	AXON FLEET 3 - INSTALLATION - UPGRADE (PER VEHICLE)	6

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
--------	------	-------------	-----	----------------------	--------------------

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Fleet 3 Advanced 10 Year	80379	AXON SIGNAL - EXT WARRANTY - SIGNAL UNIT	6	03/01/2027	01/31/2034
Fleet 3 Advanced 10 Year	80495	AXON FLEET 3 - EXT WARRANTY - 2 CAMERA KIT	6	03/01/2027	01/31/2034

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	7301 Hanna St	Gilroy	CA	95020-6129	USA

Payment Details

Mar 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 1	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 1	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 2	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 3	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 4	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2030

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 5	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2031

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 6	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 6	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2032						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 7	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 7	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.98	\$17,389.59
Total				\$16,808.61	\$580.98	\$17,389.59

Jan 2033						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 8	80462	TRUE UP - FLEET 3 ADVANCED WITH TAP	156	\$0.00	\$0.00	\$0.00
Year 8	Fleet3A10Yr	Fleet 3 Advanced 10 Year	6	\$16,808.61	\$580.82	\$17,389.43
Total				\$16,808.61	\$580.82	\$17,389.43

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is governed by the Master Services and Purchasing Agreement between Gilroy Police Department and Axon Enterprise, Inc. dated June 21, 2023, as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

1/20/2026



FLEET STATEMENT OF WORK BETWEEN AXON ENTERPRISE AND AGENCY

Introduction

This Statement of Work ("SOW") has been made and entered into by and between Axon Enterprise, Inc. ("AXON"), and Gilroy Police Department - CA the ("AGENCY") for the purchase of the Axon Fleet in-car video solution ("FLEET") and its supporting information, services and training. (AXON Technical Project Manager/The AXON installer)

Purpose and Intent

AGENCY states, and AXON understands and agrees, that Agency's purpose and intent for entering into this SOW is for the AGENCY to obtain from AXON deliverables, which used solely in conjunction with AGENCY's existing systems and equipment, which AGENCY specifically agrees to purchase or provide pursuant to the terms of this SOW.

This SOW contains the entire agreement between the parties. There are no promises, agreements, conditions, inducements, warranties or understandings, written or oral, expressed or implied, between the parties, other than as set forth or referenced in the SOW.

Acceptance

Upon completion of the services outlined in this SOW, AGENCY will be provided a professional services acceptance form ("Acceptance Form"). AGENCY will sign the Acceptance Form acknowledging that services have been completed in substantial conformance with this SOW and the Agreement. If AGENCY reasonably believes AXON did not complete the professional services in conformance with this SOW, AGENCY must notify AXON in writing of the specific reasons within seven (7) calendar days from delivery of the Acceptance Form. AXON will remedy the issues to conform with this SOW and re-present the Acceptance Form for signature. If AXON does not receive the signed Acceptance Form or written notification of the reasons for rejection within 7 calendar days of the delivery of the Acceptance Form, AGENCY will be deemed to have accepted the services in accordance to this SOW.

Force Majeure

Neither party hereto shall be liable for delays or failure to perform with respect to this SOW due to causes beyond the party's reasonable control and not avoidable by diligence.

Schedule Change

Each party shall notify the other as soon as possible regarding any changes to agreed upon dates and times of Axon Fleet in-car Solution installation to be performed pursuant of this Statement of Work.

Axon Fleet Deliverables

Typically, within (30) days of receiving this fully executed SOW, an AXON Technical Project Manager will deliver to AGENCY's primary point of contact via electronic media, controlled documentation, guides, instructions and videos followed by available dates for the initial project review and customer readiness validation. Unless otherwise agreed upon by AXON, AGENCY may print and reproduce said documents for use by its employees only.

Security Clearance and Access

Upon AGENCY's request, AXON will provide the AGENCY a list of AXON employees, agents, installers or representatives which require access to the AGENCY's facilities in order to perform Work pursuant of this Statement of Work. AXON will ensure that each employee, agent or representative has been informed or and consented to a criminal background investigation by AGENCY for the purposes of being allowed access to AGENCY's facilities. AGENCY is responsible for providing AXON with all required instructions and documentation accompanying the security background check's requirements.

Training

AXON will provide training applicable to Axon Evidence, Cradlepoint NetCloud Manager and Axon Fleet application in a train-the-trainer style method unless otherwise agreed upon between the AGENCY and AXON.

Local Computer

AGENCY is responsible for providing a mobile data computer (MDC) with the same software, hardware, and configuration that AGENCY personnel will use with the AXON system being installed. AGENCY is responsible for making certain that any and all security settings (port openings, firewall settings, antivirus software, virtual private network, routing, etc.) are made prior to the installation, configuration and testing of the aforementioned deliverables.

Network

AGENCY is responsible for making certain that any and all network(s) route traffic to appropriate endpoints and AXON is not liable for network breach, data interception, or loss of data due to misconfigured firewall settings or virus infection, except to the extent that such virus or infection is caused, in whole or in part, by defects in the deliverables.

Cradlepoint Router

When applicable, AGENCY must provide AXON Installers with temporary administrative access to Cradlepoint's [NetCloud Manager](#) to the extent necessary to perform Work pursuant of this Statement of Work.

Evidence.com

AGENCY must provide AXON Installers with temporary administrative access to Axon Evidence.com to the extent necessary to perform Work pursuant of this SOW.

Wireless Upload System

If purchased by the AGENCY, on such dates and times mutually agreed upon by the parties, AXON will install and configure into AGENCY's existing network a wireless network infrastructure as identified in the AGENCY's binding quote based on conditions of the sale.

VEHICLE INSTALLATION

Preparedness

On such dates and times mutually agreed upon by the parties, the AGENCY will deliver all vehicles to an AXON Installer less weapons and items of evidence. Vehicle(s) will be deemed 'out of service' to the extent necessary to perform Work pursuant of this SOW.

Existing Mobile Video Camera System Removal

On such dates and times mutually agreed upon by the parties, the AGENCY will deliver all vehicles to an AXON Installer which will remove from said vehicles all components of the existing mobile video camera system unless otherwise agreed upon by the AGENCY.

Major components will be salvaged by the AXON Installer for auction by the AGENCY. Wires and cables are not considered expendable and will not be salvaged. Salvaged components will be placed in a designated area by the AGENCY within close proximity of the vehicle in an accessible work space.

Prior to removing the existing mobile video camera systems, it is both the responsibility of the AGENCY and the AXON Installer to test the vehicle's systems' operation to identify and operate, documenting any existing component or system failures and in detail, identify which components of the existing mobile video camera system will be removed by the AXON Installer.

In-Car Hardware/Software Delivery and Installation

On such dates and times mutually agreed upon by the parties, the AGENCY will deliver all vehicles to an AXON Installer, who will install and configure in each vehicle in accordance with the specifications detailed in the system's installation manual and its relevant addendum(s). Applicable in-car hardware will be installed and configured as defined and validated by the AGENCY during the pre-deployment discovery process.

If a specified vehicle is unavailable on the date and time agreed upon by the parties, AGENCY will provide a similar vehicle for the installation process. Delays due to a vehicle, or substitute vehicle, not being available at agreed upon dates and times may result in additional fees to the AGENCY. If the AXON Installer determines that a vehicle is not properly prepared for installation ("Not Fleet Ready"), such as a battery not being properly charged or properly up-fit for in-service, field operations, the issue shall be reported immediately to the AGENCY for resolution and a date and time for the future installation shall be agreed upon by the parties.

Upon completion of installation and configuration, AXON will systematically test all installed and configured in-car hardware and software to ensure that ALL functions of the hardware and software are fully operational and that any deficiencies are corrected unless otherwise agreed upon by the AGENCY, installation, configuration, test and the correct of any deficiencies will be completed in each vehicle accepted for installation.

Prior to installing the Axon Fleet camera systems, it is both the responsibility of the AGENCY and the AXON Installer to test the vehicle's existing systems' operation to identify, document any existing component or vehicle systems' failures. Prior to any vehicle up-fitting the AXON Installer will introduce the system's components, basic functions, integrations and systems overview along with reference to AXON approved, AGENCY manuals, guides, portals and videos. It is both the responsibility of the AGENCY and the AXON Installer to agree on placement of each components, the antenna(s), integration recording trigger sources and customer preferred power, ground and ignition sources prior to permanent or temporary installation of an Axon Fleet camera solution in each vehicle type. Agreed placement will be documented by the AXON Installer.

AXON welcomes up to 5 persons per system operation training session per day, and unless otherwise agreed upon by the AGENCY, the first vehicle will be used for an installation training demonstration. The second vehicle will be used for an assisted installation training demonstration. The installation training session is customary to any AXON Fleet installation service regardless of who performs the continued Axon Fleet system installations.

The customary training session does not 'certify' a non-AXON Installer, customer-employed Installer or customer 3rd party Installer, since the AXON Fleet products does not offer an Installer certification program. Any work performed by non-AXON Installer, customer-employed Installer or customer 3rd party Installer is not warranted by AXON, and AXON is not liable for any damage to the vehicle and its existing systems and AXON Fleet hardware.



City of Gilroy

STAFF REPORT

Agenda Item Title: Adopt a Resolution Authorizing Recordation of Affordable Housing Covenants on Four City-Owned Parcels

Meeting Date: July 27, 2026

From: Matt Morley, City Administrator

Department: Economic Development

Submitted by: Raissa de la Rosa, Economic Development Director

Prepared by: Raissa de la Rosa, Economic Development Director

STRATEGIC PLAN GOALS: Promote Economic Development Activities

RECOMMENDATION

Adopt a resolution authorizing the recordation of affordable housing covenants or restrictions on four City-owned parcels previously declared surplus through the California Surplus Land Act process.

EXECUTIVE SUMMARY

Under the California Surplus Land Act (SLA), cities must record affordable housing covenants or restrictions on declared surplus properties after completing the required Notice of Availability and good-faith negotiation process with eligible affordable housing entities. Gilroy issued its Notice of Availability on December 1, 2025, and engaged in the statutory 90-day negotiation period. Consistent with Council direction to seek fair market value and uphold fiscal responsibilities, the parties did not reach agreement on price or terms within that timeframe. With the negotiation period now concluded, and no agreement executed, the SLA requires the recording of affordable housing covenants or restrictions to finalize compliance and allow the City to proceed with any future disposition actions.

BACKGROUND

In accordance with the California Surplus Land Act (SLA), the City of Gilroy initiated the required procedures for the disposition of four City-owned properties previously declared surplus. The subject parcels are APN 841-06-001 (7491 Railroad Street), APN 841-04-020 (7780 Monterey Road), APN 799-15-027 (7289 Rosanna Street), and APN 799-15-026 (7351 Rosanna Street).

The SLA establishes specific steps that local agencies must follow before disposing of surplus property, including issuing a Notice of Availability (NOA) to eligible affordable housing developers, public agencies, and other qualifying entities; engaging in good-faith negotiations for a minimum 90-day period; and, when applicable, recording affordability covenants or restrictions to ensure compliance with State housing requirements.

On December 1, 2025, the City issued the required NOA for the four parcels and subsequently engaged in good-faith negotiations with eligible respondents, consistent with Government Code Section 54223. Per prior City Council direction, staff was required to negotiate towards a sale at fair market value to ensure compliance with State law and uphold the City's fiscal responsibilities. During the statutory 90-day negotiation window, the parties were unable to reach agreement on price or terms. As a result, the negotiation period concluded without an executed agreement, thereby completing the SLA negotiation process for these properties.

With the statutory process finalized, and no qualifying transaction executed, the SLA requires the City to record affordable housing covenants or restrictions on the properties prior to taking any future disposition actions. Recording these restrictions ensures compliance with State law and maintains the required affordability obligations associated with the prior surplus property process.

ANALYSIS

The California Surplus Land Act (SLA) requires local agencies to record affordability covenants or restrictions when the negotiation period with eligible affordable-housing entities concludes without an executed agreement. Because Gilroy completed the SLA dictated steps and processes and did not reach agreement on price or terms, recording these covenants is now the next mandatory step to finalize SLA compliance.

The required covenant establishes baseline affordability obligations for any future development on the surplus parcels. Specifically, if ten or more residential units are developed, at least 15 percent must be affordable to lower-income households, with affordability maintained for 55 years for rental units and 45 years for ownership units. Ownership units must be initially occupied by lower-income households and include an equity-sharing agreement consistent with Government Code Section 65915(c)(2). These requirements run with the land and are enforceable against current and future

property owners as specified in Government Code Section 54222.5.

Recording the covenants ensures the City meets its obligations under State law, provides clear expectations for any future developer or purchaser, and positions the City to proceed with subsequent disposition actions while maintaining compliance with the SLA.

ALTERNATIVES

Under the Surplus Land Act, there are no alternatives to concluding the process when no agreement with qualifying developers were reached.

FISCAL IMPACT/FUNDING SOURCE

There are no direct or immediate fiscal impacts associated with this action.

PUBLIC OUTREACH

A Notice of Availability was issued on December 1, 2025, to eligible affordable housing developers, public agencies, and other qualifying entities. This was the extent of the public outreach as required under the Surplus Land Act.

NEXT STEPS

None.

Attachments:

1. 26-0727 - SLA Affordability Covenants - Resolution
2. Exh A - SLA - Covenant for Affordable Housing - 7491 Railroad St
3. Exh B - SLA - Covenant for Affordable Housing - 7780 Monterey Road
4. Exh C - SLA - Covenant for Affordable Housing - 7289 Rosanna Street
5. Exh D - SLA - Covenant for Affordable Housing - 7351 Rosanna St

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY AUTHORIZING THE RECORDATION OF AFFORDABLE HOUSING COVENANTS OR RESTRICTIONS ON FOUR CITY-OWNED PARCELS PREVIOUSLY DECLARED SURPLUS PURSUANT TO THE CALIFORNIA SURPLUS LAND ACT

WHEREAS, the City of Gilroy previously declared four City-owned parcels as surplus land in compliance with the California Surplus Land Act (SLA), including APN 841-06-001 located at 7491 Railroad Street, APN 841-04-020 located at 7780 Monterey Road, APN 799-15-027 located at 7289 Rosanna Street, and APN 799-15-026 located at 7351 Rosanna Street (collectively, “the Properties”); and

WHEREAS, the SLA establishes mandatory procedures that local agencies must follow prior to disposing of surplus property, including issuing a Notice of Availability (NOA) to eligible entities, conducting good faith negotiations for not less than 90 days with qualified respondents, and, when applicable, recording affordable housing covenants or restrictions to satisfy State housing requirements; and

WHEREAS, on December 1, 2025, the City issued the required NOA for the Properties and subsequently engaged in good faith negotiations with eligible affordable housing developers and public agencies as required by Government Code Section 54223; and

WHEREAS, consistent with prior City Council direction, staff negotiated toward a sale at fair market value to ensure compliance with State law and uphold the City’s fiscal responsibilities, but the parties were unable to reach agreement on price or terms during the statutory 90-day negotiation period; and

WHEREAS, the required negotiation period concluded without an executed agreement, thereby completing the SLA negotiation process for the Properties; and

WHEREAS, pursuant to Government Code Section 54222.5, when the SLA negotiation process concludes without a qualifying transaction, the City is required to record affordable housing covenants or restrictions on the surplus property prior to taking any future disposition action; and

WHEREAS, the required covenant establishes baseline affordability obligations for any future development of ten or more residential units on the Properties, including the requirement that at least 15 percent of such units be affordable to lower income households, with affordability maintained for 55 years for rental units and 45 years for ownership units, and requiring ownership units to be initially occupied by lower income households and to include an equity sharing agreement consistent with Government Code Section 65915(c)(2); and

WHEREAS, these affordability requirements run with the land and are enforceable against current and future property owners pursuant to Government Code Section 54222.5; and

WHEREAS, the recordation of these covenants ensures the City’s continued compliance with State law and provides clear expectations for any future purchaser or developer regarding the affordability obligations applicable to the Properties.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gilroy hereby authorizes and directs the City Administrator, or designee, to record affordable housing covenants or restrictions on the following City-owned surplus parcels:

- APN 841-06-001 (7491 Railroad Street)
- APN 841-04-020 (7780 Monterey Road)
- APN 799-15-027 (7289 Rosanna Street)
- APN 799-15-026 (7351 Rosanna Street)

BE IT FURTHER RESOLVED that the covenants or restrictions, attached hereto as Exhibits A through D, shall include the affordability obligations required under the California Surplus Land Act, including but not limited to the requirement that any future residential development of ten or more units reserve at least 15 percent of units for lower income households, that rental units remain affordable for a minimum of 55 years, that ownership units remain affordable for a minimum of 45 years, and that ownership units include an equity sharing agreement consistent with State law.

BE IT FURTHER RESOLVED that upon recordation of said covenants or restrictions, City staff is authorized to proceed with any subsequent disposition actions for the Properties in full compliance with the Surplus Land Act and all other applicable laws.

PASSED AND ADOPTED this 27th day of July 2026, by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **KIM MANCERA**, City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2026-XX** is an original resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said Council held on **Monday, Date**, with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **Tuesday, XXXXX**

Kim Mancera
City Clerk of the City of Gilroy





City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6197

Telephone (408) 846-0219
<http://www.cityofgilroy.org>

Matt Morley
City Administrator

Covenant or Restriction to be Recorded

(per Government Code Section 54233)

7491 Railroad Street, Gilroy, CA 95020

If ten (10) or more residential units are developed on 7491 Railroad Street, Gilroy, CA 95020, a Cannery/Downtown District zoned commercial site (Parcel ID 7843; APN 841-06-001), not less than 15 percent (15%) of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. These units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all such ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code.

These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

By: _____

Matt Morley, City Administrator
City of Gilroy

Date: July 27, 2026



City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6197

Telephone (408) 846-0219
<http://www.cityofgilroy.org>

Matt Morley
City Administrator

Covenant or Restriction to be Recorded

(per Government Code Section 54233)

7780 Monterey Street, Gilroy, CA 95020

If ten (10) or more residential units are developed on 7780 Monterey Street, Gilroy, CA 95020, a Downtown Extension District zoned commercial and public facility well site property (Parcel ID 6317; APN 841-04-020), not less than 15 percent (15%) of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. These units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all such ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code.

These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

By: _____

Matt Morley, City Administrator
City of Gilroy

Date: July 27, 2026



City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6197

Telephone (408) 846-0219
<http://www.cityofgilroy.org>

Matt Morley
City Administrator

Covenant or Restriction to be Recorded

(per Government Code Section 54233)

7289 Rosanna Street, Gilroy, CA 95020

If ten (10) or more residential units are developed on the public facility parcel identified as APN 799-15-027 at 7289 Rosanna Street, Gilroy, CA 95020 (Parcel ID 9459), not less than 15 percent (15%) of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. These units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all such ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code.

These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

By: _____

Matt Morley, City Administrator
City of Gilroy

Date: July 27, 2026



City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6197

Telephone (408) 846-0219
<http://www.cityofgilroy.org>

Matt Morley
City Administrator

Covenant or Restriction to be Recorded

(per Government Code Section 54233)

7351 Rosanna Street, Gilroy, CA 95020

If ten (10) or more residential units are developed on the public facility parcel identified as APN 799-15-026 at 7351 Rosanna Street, Gilroy, CA 95020 (Parcel ID 8807), not less than 15 percent (15%) of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. These units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all such ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code.

These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

By: _____

Matt Morley, City Administrator
City of Gilroy

Date: July 27, 2026



City of Gilroy

STAFF REPORT

Agenda Item Title: Appointment of Harjot Sangha as City Administrator Pro Tempore Pursuant to Gilroy City Charter Section 705

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Human Resources/Risk Management
 Submitted by: Matt Morley, City Administrator
 Prepared by: LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Appoint Harjot Sangha as City Administrator Pro Tempore.

EXECUTIVE SUMMARY

Gilroy City Charter Section 705 indicates that the City Administrator shall recommend a department head to serve as City Administrator Pro Tempore during the temporary absence or disability of the City Administrator.

BACKGROUND

Consistent with the Gilroy City Charter, the City Administrator shall recommend one of the other officers or department heads of the City to serve as City Administrator Pro Tempore during the temporary absence or disability of the City Administrator. City Administrator Matt Morley is recommending that Assistant City Administrator Harjot Sangha be appointed to serve as City Administrator Pro Tempore when needed.

Gilroy City Charter Section 705 is noted below:

Section 705. City Administrator Pro Tempore.

The City Administrator shall appoint, subject to the approval of the Council, one of the other officers or department heads of the City to serve as City Administrator Pro Tempore during the temporary absence or disability of the City Administrator. If the City Administrator fails to make such an appointment, the Council shall designate an officer of the City to serve as City Administrator Pro Tempore during the absence or disability of the City Administrator.

ANALYSIS

n/a

ALTERNATIVES

No other alternative is recommended.

FISCAL IMPACT/FUNDING SOURCE

There is no fiscal impact associated with this recommendation.

PUBLIC OUTREACH

n/a

NEXT STEPS

n/a

Attachments:

None



City of Gilroy

STAFF REPORT

Agenda Item Title: Claim of Jaime Perez (The City Administrator recommends a "yes" vote under the Consent Calendar shall constitute denial of the claim)

Meeting Date: July 27, 2026

From: Matt Morley, City Administrator

Department: Human Resources/Risk Management

Submitted by: LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.

Prepared by: LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Based on the recommendation from the Municipal Pooling Authority (MPA) and/or legal counsel, this claim is recommended for rejection.

EXECUTIVE SUMMARY

Based on the recommendation from the Municipal Pooling Authority (MPA) and/or legal counsel, the following claim is submitted to the City Council for rejection at the July 27, 2026 meeting:

- Claim of Jaime Perez

BACKGROUND

n/a

ANALYSIS

n/a

ALTERNATIVES

n/a

FISCAL IMPACT/FUNDING SOURCE

n/a

PUBLIC OUTREACH

n/a

NEXT STEPS

n/a

Attachments:

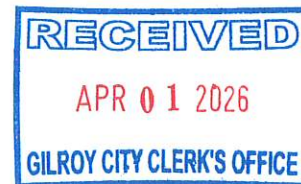
1. Claim of Jaime Perez



March 27, 2026

VIA CERTIFIED US MAIL

City of Gilroy
Attn: City Clerk's Office
7351 Rosanna St.
Gilroy, CA 95020



RE: Our Client : Jaime Perez
Accident Date : 02/17/2026
Date of Birth : 04/11/1979

Dear City Clerk:

Please be advised that this office has been retained by the above-named client(s) for representation for injuries and damages sustained as a result of an accident due to negligence by the City of Gilroy and/or it's agents on or about the above date.

Enclosed is the duly executed Claim for Damages form, Proof of Representation and photographic evidence. *Please forward a conformed copy to our office and advise us of the name of the person who will be handling the file.*

Our client is under medical treatment at the present time for injuries arising out of this accident, and we will be in touch with you as items of special damages are received.

Please send all future correspondence and inquiries with regard to this case to the undersigned.

We are looking forward to working with you on this file. If you have any questions, please feel free to call me.

Thank you for your professional courtesy in this matter.

Regards,

MITCHELL & DANOFF LAW FIRM

JESSE DANOFF
Attorney at Law
JD/dl



Phone : (800) 345-4529
Fax : (855) 345-4529



info@mitchelldanoff.com
www.mitchelldanoff.com



390 Fifth Street,
Hollister, CA 95023

1 JESSE DANOFF (SBN: 283882)
MITCHELL & DANOFF LAW FIRM
390 FIFTH STREET
2 HOLLISTER, CA 95023-3903
(831) 636-6100
3 (855) 345-4529 FAX

4 Attorney for Claimant: Jaime Perez
5

6 To: City of Gilroy

7 **NOTICE OF CLAIM**
8 **(Government Code Section 910)**

9 Jaime Perez (hereinafter referred to as "Claimant"), hereby makes a claim against City
10 of Gilroy. Jurisdiction rests in the Superior Court of the State of California in and for the County
11 of Santa Clara. Claimant makes the following statement in support of his claim:

12 1. Claimant's address is c/o Mitchell & Danoff, 390 Fifth St., Hollister, CA
13 95023.

14 2. Notices concerning the instant claims should be forwarded to Claimant's
15 attorney, JESSE DANOFF, Attorney at Law, at Mitchell & Danoff Law Firm, 390 Fifth Street,
16 Hollister, CA 95023, telephone number (831) 636-6100.

17 3. The date and place of the occurrence giving rise to this claim was on February
18 17, 2026, in the walking pathway of Las Animas Veterans Park, 400 Mantelli Dr., Gilroy, CA
19 95020

20 4. The circumstances giving rise to this claim are as follows: On February 17,
21 2026, Claimant was walking on the walking path in Las Animas Veterans Park, when he
22 partially submerged into an uncovered storm drain in which the manhole cover was not
23 secured to the storm drain. The incident occurred on or about 7:00 p.m., 2/17/2026. Claimant
24 was able to prevent himself from fully falling into the storm drain. As a result, the Gilroy Fire
25 Department arrived at the accident scene and secured Claimant. Emergency Medical
26 Personnel also arrived and transported Claimant to St. Louise Hospital for medical treatment
27 for his severely lacerated right arm, left leg and rib injuries. Accident scene and injuries
28 photographs are attached as Exhibit "A."

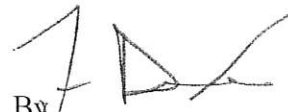
1 5. Currently, Claimant remains under medical care, as Claimant was recently
2 evaluated on March 2, 2026, by Eric S. Korsh, M.D., wherein Dr. Korsh noted that Claimant
3 injured his ribs, left leg and left knee. On March 6, 2026, Claimant was seen at Health Stream
4 Physical Therapy where it is documented that Claimant had left knee pain over his MCL and
5 posterior and anterior ribs pain. In a March 14, 2026, a physical therapy follow-up in which
6 it focused treatment was on Claimant's lower quarter strength training and dynamic balance
7 for his knee and core stability as tolerated. Medical records from said providers are attached
8 as Exhibit "B." We will supplement this filing with additional medical records/billings once
9 they are received.

10 6. Claimant's injuries and damages were the direct result of the negligence of the
11 City of Santa Clara and its respective agents, and/or employees in the negligent supervision
12 and maintenance of its property and the failure to exercise ordinary care in the management
13 of its property.

14 7. As a result of the above-described negligence of the City of Gilroy the amount
15 of the current claim is in excess of \$25,000.00 and therefore rests in the jurisdiction of the
16 Superior Court of the County of Santa Clara.

17 DATED: March 27, 2026

MITCHELL & DANOFF LAW FIRM

18 

19 By _____
20 JESSE DANOFF, ESQ.
21 Attorney for Claimants
22 JAIME PEREZ
23
24
25
26
27
28

PROOF OF SERVICE

(Sections 1013a, 2015.5, Code of Civil Procedure)

STATE OF CALIFORNIA, COUNTY OF SAN BENITO

I am employed in the County of San Benito, State of California. I am over the age of eighteen and not a party of the within entitled action. My business address is 390 Fifth St., Hollister, California 95023.

On March 27, 2026, I served the foregoing document(s) and this page described as Claimant's **NOTICE OF CLAIM** on the interested parties in this action;

_____ by placing the true copies thereof enclosed in a sealed envelope addressed as stated on the attached mailing list;

 X by placing the original and/or true copy thereof enclosed in a sealed envelope addressed as follows:

City of Gilroy Attn: City Clerk's Office 7351 Rosanna St. Gilroy, CA 95020	
---	--

(BY MAIL)

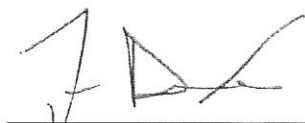
 X I deposited such envelope in the mail at Hollister, California. The envelope was mailed with postage thereon fully prepaid.

 X As follows: I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Hollister, California, in the ordinary course of business. I am aware that on the motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

(BY FACSIMILE TRANSMISSION)

_____ I caused a true and complete copy of the document described above to be transmitted by facsimile transmission to the telephone number(s) set forth opposite the name(s) of the person(s) set forth as follows:

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 27, 2026, at Hollister, California.



JESSE DANOFF, ESQ.



City of Gilroy

STAFF REPORT

Agenda Item Title: Approve the Second Amendment to the 17-Mile Construction Services Inc Contract for Improvements at 641 Old Gilroy Street (Jessup Property), Increasing the Contract Amount by \$8,358 for a Total Contract Value of \$226,058

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Public Utilities
 Submitted by: Izabela Cirloganu, Sr. Management Analyst
 Prepared by: Izabela Cirloganu, Sr. Management Analyst

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

1. Approve the Second Amendment to the 17-Mile Construction Services, Inc. Contract for Tenant Improvements at 641 Old Gilroy St (Jessup Property), authorizing a total contract amount of up to \$226,058.
2. Authorize the City Administrator to execute the amendment.

EXECUTIVE SUMMARY

The City purchased the property at 641 Old Gilroy St (Jessup Property) to relocate the Utilities Department Operations team. Following a competitive procurement process, the City awarded the construction contract for tenant improvement to 17 Mile Construction on April 20, 2026. The original project budget included a construction contract of \$198,900 and a contingency of up to \$19,100, for a total authorized budget of \$218,000. Total projects costs to date are \$217,700. Staff is requesting approval of a contract amendment in the amount of \$8,358 to complete the work, resulting in a total contract amount of \$226,058.

BACKGROUND

Shortly after construction began, previously concealed conditions required modifications to the original contract. Extensive dry rot was identified in the exterior siding adjacent to the building entrance, requiring additional repair and replacement beyond what was anticipated during project planning. In addition, several improvements not included in the original scope of work, were incorporated into the project. These improvements included constructing a partition to create a dedicated water sample storage room, improving the functionality and organization of the facility. The total cost of the additional work was \$18,800, which was fully funded using the project contingency previously authorized by the City Council.

As the project approaches completion, staff identified several additional items that are necessary to complete the project. The total cost of this work is \$8,358. The additional work includes:

1. Resurface and apply an additional coat of high-performance epoxy flooring in the locker room to improve durability and the long-term performance of the flooring system.
2. Install an outdoor utility sink, including new plumbing connections, and clean the existing drain lines to provide a dedicated location for a future water station.
3. Replace damaged ceiling tiles and perform caulking, sanding, and painting to complete the interior finishes.

ANALYSIS

N/A

ALTERNATIVES

The City Council could determine not to approve the amendment. Staff does not recommend this option as the contractor is already mobilized on site, the additional work is directly related to the existing project, and the amendment represents a relatively minor increase to the original contract amount. The tenant improvement project is expected to be complete upon completion of the work included in this amendment, and no additional work is anticipated.

FISCAL IMPACT/FUNDING SOURCE

Staff recommends increasing the contract by \$8,358, resulting in a total contract amount of \$226,058. This cost will be funded utilizing the existing previously approved

contingency balance of \$300 (\$19,100-\$18,800), with the remaining balance of \$8,058 as requested in the staff report being shared equally between Water and Wastewater Operations budgets. There is no increase in appropriations being requested as part of this staff report, as the minor additional amounts can be absorbed within existing appropriations.

PUBLIC OUTREACH

N/A

NEXT STEPS

Route the Second Amendment for the required internal signatures.

Attachments:

1. Second Amendment_ContractorSigned

SECOND AMENDMENT TO CONTRACT WITH 17 MILE CONSTRUCTION SERVICES, INC.

WHEREAS, the City of Gilroy, a municipal corporation ("City"), and 17 Mile Construction Services, Inc. entered into that certain agreement entitled "Agreement for Services", effective on May 1st, 2026, hereinafter referred to as "Original Agreement"; and

WHEREAS, City and 17 Mile Construction Services Inc. have determined it is in their mutual interest to amend certain terms of the Original Agreement.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. Article 4. Compensation of the Original Agreement shall be amended to read as follows: "In consideration for the services to be performed by CONTRACTOR, CITY agrees to pay CONTRACTOR the amounts set forth in Exhibit "D" (Payment Schedule). In no event, however, shall the total compensation paid to the CONTRACTOR exceed \$226,058 (two hundred twenty-six thousand and fifty-eight dollars) for the entire duration of the contract.
2. Exhibit "B" Scope of Work for the Tenant Improvement at 641 Old Gilroy St, should be amended to include additional tasks, as follows:
 - i. Resurface and apply an additional coat of high-performance epoxy flooring in the locker room to improve durability, and the long-term performance of the flooring system.
 - ii. Install an outdoor utility sink, including new plumbing connections, and clean the existing drain lines to provide a dedicated location for a future water station
 - iii. Replace damaged ceiling tiles and perform caulking, sanding, and painting to complete the interior finishes and address deficiencies.
3. This Amendment shall be effective on July 6, 2026.
4. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.
5. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

CITY OF GILROY

By: _____
Matt Morley

By: _____
Matt Carley

DocuSigned by:

18CAE379595E45F...

City Administrator

Vice President, Managing Partner

Date: _____

Date: 7/13/2026

Approved as to Form

ATTEST:

City Attorney

City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Acceptance of a \$120,766 Grant from the Department of California Highway Patrol Cannabis Tax Fund Grant Program for Driving Under the Influence Enforcement Activities and Adoption of a Resolution of the City Council of the City of Gilroy Approving a Fiscal Year 2027 Budget Amendment

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Police
 Submitted by: Brandon Sanchez, Police Chief
 Prepared by: Patricia Vigil, Management Analyst

STRATEGIC PLAN GOALS: Develop a Financially Resilient Organization

RECOMMENDATION

1. Accept the Department of California Highway Patrol Cannabis Tax Fund Grant Program award for \$120,766; and
2. Adopt a resolution amending the Fiscal Year 2027 budget to appropriate the grant funds into the Police Department Special Grants Fund.

EXECUTIVE SUMMARY

The Gilroy Police Department (GPD) has been awarded a \$120,766 grant through the Department of California Highway Patrol Cannabis Tax Fund Grant Program (CTFGP), made possible by Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana Act. This grant supports education, prevention, and enforcement related to impaired driving. The funding will be used for DUI-specific enforcement equipment, officer training, saturation patrol operations, and public outreach. City Council approval is required to formally accept the grant and amend the Fiscal Year 2027 budget to appropriate the funds.

BACKGROUND

Proposition 64, passed by California voters in 2016, mandates that a portion of cannabis tax revenues be used to mitigate the impacts of marijuana legalization, including impaired driving. The California Highway Patrol administers the Cannabis Tax Fund Grant Program (CTFGP) to support local governments in achieving this goal. The CTFGP aims to reduce impaired driving crashes, enhance public education regarding the dangers of drug and alcohol impaired driving, and improve roadway safety across California. In June 2026, GPD was notified of its successful grant award in the amount of \$120,766. The grant term runs from July 1, 2026, through June 30, 2027, and operates on a reimbursement basis.

ANALYSIS

The Gilroy Police Department (GPD) maintains a dedicated Traffic Unit comprised of three full-time motorcycle officers and one supervising sergeant. This team works to reduce fatal and injury collisions through enforcement, education, and collaboration with the City's Engineering Division to address hazardous roadway conditions. From January 2021 through December 2024, alcohol-involved injury collisions have continued to rise, underscoring the need for sustained and focused enforcement efforts. In response, the Department remains committed to enhancing DUI enforcement by training officers as Drug Recognition Experts (DREs), ensuring they are equipped to identify and address drug-impaired driving more effectively.

Grant funding from the CTFGP provides an opportunity to expand DUI enforcement efforts through equipment purchases, training, and community outreach. The funding will support:

- A DUI police motorcycle and upfitting to replace aging equipment and allow deployment of up to five motorcycle officers with prior Traffic Unit experience. Motorcycles are critical to saturation patrols due to their agility in traffic, ability to operate in areas inaccessible to patrol vehicles, and value in covert enforcement scenarios.
- Funding for officer overtime during DUI saturation patrols, Drug Recognition Expert (DRE) training, travel, and community outreach initiatives aimed at educating the public about the risks and consequences of impaired driving.

These resources are not just enhancements; they are essential to ensuring that DUI operations are conducted safely, efficiently, and in a manner that reflects best practices in traffic enforcement. DUI checkpoints are inherently high-risk operations involving traffic congestion, impaired drivers, and the need for rapid situational response. This equipment and training will enhance officer safety, improve detection and deterrence, and ultimately reduce impaired driving-related injuries and fatalities in Gilroy.

ALTERNATIVES

The City Council may choose not to approve the acceptance or appropriation of the CHP grant funds. Staff does not recommend this option, as it would require identifying alternative funding sources or reducing the scope and frequency of DUI saturation patrols and public education efforts. This would limit the Department's ability to proactively address impaired driving risks in the community.

FISCAL IMPACT/FUNDING SOURCE

\$120,766 in expenditures are proposed with offsetting revenue. The expenditures and grant revenue will be appropriated in a separately established Police Department California Highway Patrol Cannabis Grant Fund.

PUBLIC OUTREACH

The Police Department will implement a public engagement campaign via social media and community channels prior to each DUI saturation event. This outreach will include educational messaging about impaired driving risks, event transparency, and grant program funding acknowledgment, reinforcing community trust and awareness.

NEXT STEPS

N/A

Attachments:

1. 07.27.26 CHP Cannabis Resolution
2. FY26-27 CTFGP Grant Agreement 30916 - Gilroy PD
3. FY26-27 CTFGP Intent to Award - Gilroy PD

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY AMENDING THE BUDGET FOR THE CITY OF GILROY FOR FISCAL YEAR 2026-2027 IN THE POLICE DEPARTMENT GRANTS FUND AND APPROPRIATING PROPOSED EXPENDITURE AMENDMENTS.

WHEREAS, the City Administrator prepared and submitted to the City Council a budget for the City of Gilroy for Fiscal Years 2025-2026 and 2026-2027, and the City Council carefully examined, considered and adopted the same on June 2, 2025; and

WHEREAS, City Staff has prepared and submitted to the City Council a proposed amendment to said budget for Fiscal Year 2026-2027 for the City of Gilroy in the staff report dated July 27, 2026, for the Police Departments Grants Fund, appropriating funding received from the Department of California Highway Patrol, Cannabis Tax Fund Grant Program; and

WHEREAS, the City Council has carefully examined and considered the same and is satisfied with said budget amendments.

NOW, THEREFORE, BE IT RESOLVED that revenue and expenditure appropriations in the Police Department Grants Fund, Fund 225, is hereby increased by \$120,766 for Fiscal Year 2026-2027.

PASSED AND ADOPTED this 27th day of July 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **KIM MANCERA**, City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2026-XX** is an original resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said Council held on **Monday, Date**, with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **Tuesday, XXXXX**

Kim Mancera
City Clerk of the City of Gilroy



1. GRANT TITLE FY26/27 CTFGP Law Enforcement - Gilroy Police Department	
2. NAME OF ORGANIZATION/AGENCY Gilroy Police Department	
3. ORGANIZATION/AGENCY SECTION TO ADMINISTER GRANT City of Gilroy	
4. PROJECT PERFORMANCE PERIOD From: 07/01/2026 To: 06/30/2027	5. PURCHASE ORDER NUMBER
6. GRANT OPPORTUNITY INFORMATION DESCRIPTION Law Enforcement grants provide financial assistance to allied agencies for the education, prevention, and the enforcement of laws related to driving under the influence of alcohol and other drugs, including cannabis and cannabis products. The intent of the program is to educate the public regarding the dangers of impaired driving, enforce impaired driving laws on the roadway, and improve the Organization/Agency's effectiveness through training and development of new strategies.	
7. FUNDS ALLOCATED UNDER THIS GRANT AGREEMENT SHALL NOT EXCEED \$120,766.00	
8. TERMS AND CONDITIONS The Grantee agrees to complete the Project, as described in the Project Description. The Grantee's Grant Application, and the California Code of Regulations, Title 13, Division 2, Chapter 13, Sections 1890.00-1890.27, are hereby incorporated into this Grant Agreement by reference. The parties hereto agree to comply with the Terms and Conditions of the following attachments: • Schedule A – Project Description, Problem Statement, Goals and Objectives, and Method of Procedure • Schedule B – Detailed Budget Estimate • Schedule B-1 – Budget Narrative We, the officials named below, hereby swear, under penalty of perjury under the laws of the State of California, that we are duly authorized to legally bind the Grant recipient to the above-described Grant Terms and Conditions. IN WITNESS WHEREOF, this Grant Agreement is executed by the parties hereto.	
9. APPROVAL SIGNATURES A. AUTHORIZED OFFICIAL OF ORGANIZATION/AGENCY Name: Brandon Sanchez Title: Police Chief Phone: (408) 846-0300 Address: 7301 Hanna Street Gilroy, CA 95020 E-Mail: brandon.sanchez@cityofgilroy.org _____ (Signature) _____ (Date)	B. AUTHORIZED OFFICIAL OF CHP Name: Elliotte Johnson Phone: (916) 843-4360 Title: Captain Fax: (916) 322-3169 Address: 601 North 7th Street Sacramento, CA 95811 E-Mail: ElJohnson@chp.ca.gov _____ (Signature) _____ (Date)
C. ACCOUNTING OFFICER OF CHP Name: M. V. Fojas Phone: (916) 843-3531 Title: Commander Fax: (916) 322-3159 Address: 601 North 7th Street Sacramento, CA 95811 E-Mail: Michelle.Fojas@chp.ca.gov _____ (Signature) _____ (Date)	10. AUTHORIZED FINANCIAL CONTACT TO RECEIVE REIMBURSEMENT PAYMENTS Name: Cindy Murphy Title: Finance Director Phone: (408)846-0300 Address: 7351 Rosanna Street Gilroy, CA 95020

TERMS AND CONDITIONS

Grantee shall comply with the California Code of Regulations, Title 13, Division 2, Chapter 13 Section 1890, et seq. and all other Terms and Conditions noted in this Grant Agreement. Failure by the Grantee to comply may result in the termination of this Grant Agreement by the California Highway Patrol (hereafter referred to as State). The State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.

A. EXECUTION

1. The State (the California Highway Patrol) hereby awards, to the Grantee, the sum of money stated on page one of this Grant Agreement. This funding is awarded to the Grantee to carry out the Project set forth in the Project Description and the terms and conditions set forth in this Grant Agreement.
2. The funding for this Grant Agreement is allocated pursuant to California Revenue and Taxation Code Section 34019(f)(3)(B). The Grantee agrees that the State's obligation to pay any sum under this Grant Agreement is contingent upon availability of funds disbursed from the California Cannabis Tax Fund to the State. If there is insufficient funding, the State shall have the option to either: 1) terminate this Grant Agreement; whereby, no party shall have any further obligations or liabilities under this Grant Agreement, or 2) negotiate a Grant Agreement Amendment to reduce the grant award and scope of work to be provided under this Grant Agreement.
3. The Grantee is not to commence or proceed with any work in advance of receiving notice that the Grant Agreement is approved. Any work performed by the Grantee in advance of the date of approval by the State shall be deemed volunteer work and will not be reimbursed by the State.
4. The Grantee agrees to provide any additional funding, beyond what the State has agreed to provide, pursuant to this Grant Agreement, and necessary to complete or carry out the Project, as described in this Grant Agreement. Any modification or alteration of this Grant Agreement, as set forth in the Grant Application submitted by the Grantee and on file with the State, must be submitted in writing thirty (30) calendar days in advance to the State for approval.
5. The Grantee agrees to complete the Project within the timeframe indicated in the Project Performance Period, which is on page one of this Grant Agreement.

B. PROJECT ADMINISTRATION

1. The Grantee shall submit all reimbursements, progress, performance, and/or other required reports concerning the status of work performed in furtherance of this Grant Agreement on a quarterly basis, or as requested by the State.
2. The Grantee shall provide the State with a final report showing all Project expenditures, which includes all State and any other Project funding expended, within sixty (60) calendar days after completion of this Grant Agreement.
3. The Grantee shall ensure all equipment which is purchased, maintained, operated, and/or developed is available for inspection by the State.
4. Equipment purchased through this Grant Agreement shall be used for the education, prevention, and enforcement of impaired driving laws, unless the Grantee is funding a portion of the purchased price not dedicated to impaired driving and that portion is not part of the Project costs. Equipment purchased under this Grant Agreement must only be used for approved Project-related purposes, unless otherwise approved by the State in writing.
5. Prior to disposition of equipment acquired under this Grant Agreement, the Grantee shall notify the State via e-mail, and by telephone, by calling the California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit at (916) 843-4360.

TERMS AND CONDITIONS

C. PROJECT TERMINATION

1. Grantee or the State may terminate this Grant Agreement at any time prior to the commencement of the Project. Once the Project has commenced, this Grant Agreement may only be terminated if the party withdrawing provides thirty (30) calendar days written notice of their intent to withdraw.
 - a. If by reason of force majeure the performance hereunder is delayed or prevented, then the term end date may be extended by mutual consent for the same amount of time of such delay or prevention. The term "force majeure" shall mean any fire, flood, earthquake, or public disaster, strike, labor dispute or unrest, embargo, riot, war, insurrection or civil unrest, any act of God, any act of legally constituted authority, or any other cause beyond the Grantee's control which would excuse the Grantee's performance as a matter of law.
 - b. Grantee agrees to provide written notice of an event of force majeure under this Grant Agreement within ten (10) calendar days of the commencement of such event, and within ten (10) calendar days after the termination of such event, unless the force majeure prohibits Grantee from reasonably giving notice within this period. Grantee will give such notice at the earliest possible time following the event of force majeure.
2. Any violations of law committed by the Grantee, misrepresentations of Project information by the Grantee to the State, submission of falsified documents by the Grantee to the State, or failure to provide records by the Grantee to the State when requested for audit or site visit purposes may be cause for termination. If the Project is terminated for the reasons described in this paragraph, the State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.
3. The State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein provided. Furthermore, the Grantee, upon termination, shall return grant funds not expended by the Grantee as of the date of termination.
4. If this Grant Agreement is terminated, the State may choose to exclude the Grantee from future Grant Opportunities.

D. FINANCIAL RECORDS

1. The Grantee agrees the State, or their designated representative, shall have the right to review and to copy all records and supporting documentation pertaining to the performance of this Grant Agreement. Grantee agrees to maintain such records for possible audit for a minimum of five (5) years after final payment, unless a longer period of records retention is stipulated or required by law. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Furthermore, the Grantee agrees to include a similar right for the State to audit all records and interview staff in any subcontract related to performance of this Grant Agreement.

E. HOLD HARMLESS

1. The Grantee agrees to indemnify, defend, and save harmless the State, its officials, agents and employees from any and all claims and losses accruing or resulting to any and all Grantee's staff, contractors, subcontractors, suppliers, and other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, agency, firm, corporation who may be injured or damaged by the Grantee in performance of this Grant Agreement.

TERMS AND CONDITIONS

F. NONDISCRIMINATION

1. The Grantee agrees to comply with State and federal laws outlawing discrimination, including, but not limited to, those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status, and denial of statutorily-required employment-related leave. (GC 12990 [a-f] and CCR, Title 2, Section 8103.)

G. AMERICANS WITH DISABILITIES ACT

1. The Grantee assures the State it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

H. DRUG-FREE WORKPLACE

1. The Grantee shall comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace.
 - ii. The person's or Organization/Agency's policy of maintaining a drug-free workplace.
 - iii. Any available counseling, rehabilitation, and employee assistance programs.
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
 - c. Every employee who works on the Project will:
 - i. Receive a copy of the company's drug-free workplace policy statement.
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on the Grant Agreement.
2. Failure to comply with these requirements may result in suspension of payments under this Grant Agreement, or termination of this Grant Agreement, or both, and Grantee may be ineligible for award of any future Grant Agreements if the department determines that any of the following has occurred:
 - a. The Grantee has made false certification or violated the certification by failing to carry out the requirements, as noted above. (GC 8350 et seq.)

I. LAW ENFORCEMENT AGENCIES

1. All law enforcement Organization/Agency Grantees shall comply with California law regarding racial profiling. Specifically, law enforcement Organization/Agency Grantees shall not engage in the act of racial profiling, as defined in California Penal Code Section 13519.4.

TERMS AND CONDITIONS

J. LABOR CODE/WORKERS' COMPENSATION

1. The Grantee is advised and made aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Grant Agreement, (refer to Labor Code Section 3700).

K. GRANT APPLICATION INCORPORATION

1. The Grantee agrees the Grant Application and any subsequent changes or additions approved or required by the State is hereby incorporated into this Grant Agreement.

L. STATE LOBBYING

1. The Grantee is advised that none of the funds provided under this Grant Agreement may be used for any activity specifically designed to urge or influence a state or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any state or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a state official, whose salary is supported by this Grant Agreement, from engaging in direct communications with the state or local legislative officials, in accordance with customary state and/or local practice.

M. REPRESENTATION AND WARRANTIES

1. The Grantee represents and warrants that:
 - a. It is validly existing and in good standing under the laws of the State of California, has, or will have the requisite power, authority, licenses, permits, and the like necessary to carry on its business as it is now being conducted and as contemplated in this Grant Agreement, and will, at all times, lawfully conduct its business in compliance with all applicable federal, state, and local laws, regulations, and rules.
 - b. It is not a party to any Grant Agreement, written or oral, creating obligations that would prevent it from entering into this Grant Agreement or satisfying the terms herein.
 - c. If the Grantee is a Nonprofit Organization/Agency, it will maintain its "Active" status with the California Secretary of State, maintain its "Current" status with the California Attorney General's Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status. If the Grantee subcontracts with a Nonprofit as part of this Grant Agreement, the Grantee shall ensure the Nonprofit will maintain its "Active" status with the California Secretary of State, maintain its "Current" status with the California Attorney General's Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status.
 - d. All of the information in its Grant Application and all materials submitted are true and accurate.

N. AIR OR WATER POLLUTION VIOLATION

1. Under the state laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

TERMS AND CONDITIONS

O. GRANTEE NAME CHANGE

1. Grantee agrees to immediately inform the State, in writing, of any changes to the name of the person within the Organization/Agency with delegated signing authority.
2. An Amendment is required to change the Grantee's name, as listed on this Grant Agreement. Upon receipt of legal documentation of the name change, the State will process the Amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said Amendment.

P. RESOLUTION

1. A county, city, district, or other local public body shall provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body, which by law, has authority to enter into a Grant Agreement, authorizing execution of the Grant Agreement.

Q. PAYEE DATA RECORD FORM STD. 204

1. This form shall be completed by all non-governmental Grantees.

R. FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA GOVERNMENT AGENCY TAXPAYER ID FORM

1. This form shall be completed by all Grantees.

S. CONFLICT OF INTEREST

1. This section serves to make the Grantee aware of specific provisions related to current or former state employees. If Grantee has any questions regarding the status of any person rendering services or involved with the Grant Agreement, the Grantee shall contact the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) immediately for clarification.
2. Current State Employees:
 - a. No officer or employee shall engage in any employment, activity, or enterprise, from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required, as a condition of regular state employment.
 - b. No officer or employee shall contract on their own behalf, as an independent Grantee, with any state agency to provide goods or services.
3. Former State Employees:
 - a. For the two-year period from the date they left state employment, no former state officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to this Grant Agreement while employed in any capacity by any state agency.
 - b. For the 12-month period from the date they left state employment, no former state officer or employee may enter into a contract with any state agency if they were employed by that state agency in a policy-making position in the same general subject area as the proposed Grant Agreement within the 12-month period prior to their leaving state service.
4. The authorized representative of the Grantee Organization/Agency, named within this Grant Agreement, warrants their Organization/Agency and its employees have no personal or financial interest and no present or past employment or activity, which would be incompatible with

TERMS AND CONDITIONS

participating in any activity related to this Grant Agreement. For the duration of this Grant Agreement, the Organization/Agency and its employees will not accept any gift, benefit, gratuity or consideration, or begin a personal or financial interest in a party who is associated with this Grant Agreement.

5. The Grantee Organization/Agency and its employees shall not disclose any financial, statistical, personal, technical, media-related, and/or other information or data derived from this Grant Agreement, made available for use by the State, for the purposes of providing services to the State, in conjunction with this Grant Agreement, except as otherwise required by law or explicitly permitted by the State in writing. The Grantee shall immediately advise the State of any person(s) who has access to confidential Project information and intends to disclose that information in violation of this Grant Agreement.
6. The Grantee will not enter into any Grant Agreement or discussions with third parties concerning materials described in paragraph five (5) prior to receiving written confirmation from the State that such third party has a Grant Agreement with the State, similar in nature to this one.
7. The Grantee warrants that only those employees who are authorized and required to use the materials described in paragraph 5 will have access to them.
8. If the Grantee violates any provisions in the above paragraphs, such action by the Grantee shall render this Grant Agreement void.

T. EQUIPMENT-USE TERMS

1. The Grantee agrees any equipment purchased under this Grant Agreement shall be used for impaired driving efforts.
2. Law Enforcement Projects:
 - a. Oral Fluid Drug Screening Devices and Cannabis/Marijuana Breath Testing Equipment - The Grantee agrees to ensure all personnel using road-side drug testing equipment, including oral fluid drug testing devices and/or cannabis/marijuana breath testing devices, purchased with grant funds from this Grant Agreement, are trained to recognize alcohol and drug impairment. At a minimum, personnel using these devices should receive Standardized Field Sobriety Testing training. These personnel are also encouraged to attend Advanced Roadside Impaired Driving Enforcement and Drug Recognition Evaluator training. Prior to using these devices, the Grantee agrees to obtain permission from their local prosecutor's office, establish a policy ensuring appropriate use, and require the staff using these devices to receive appropriate training, which may include training from the manufacturer. This will help ensure the equipment is used appropriately. The Grantee shall advise the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) of any legal challenges or other items of significance that may affect the use or legal acceptance of these devices. Additionally, the State may request additional information about the performance of these devices, including information about their use, accuracy, and feedback from personnel using the devices.
 - b. Law Enforcement Vehicles – The Grantee agrees any law enforcement vehicles purchased with Grant funds, from this Grant Agreement, will be primarily used for the enforcement of driving under the influence laws and/or providing public education, related to the dangers of driving under the influence. Additionally, any vehicle purchased using funds from this Grant Agreement shall comply with all California Vehicle Code and California Code of Regulation requirements. The State may require the Grantee to mark these vehicles with a decal and/or emblem, indicating the vehicle is used for driving under the influence enforcement.

Schedule A

Gilroy Police Department

The Grantor determined awards and adjustments based on the Project's merit, operational scale, compliance with the Request for Application (RFA), and program regulations. Certain activities or budget items proposed in Schedule A may have been deemed ineligible for funding. The final, binding list of authorized activities and expenses is set forth in Schedule B - Detailed Budget Estimate.

Project Description

The Gilroy Police Department proposes a Cannabis-Impaired Driving Enforcement and Education Project designed to reduce collisions and injuries caused by drivers under the influence of alcohol, cannabis and other drugs. Through funding from the California Highway Patrol Cannabis Tax Fund Grant Program, the department will conduct ten (10) data-driven DUI/DUID Saturation Patrols and two (2) Community Engagement Events focused on cannabis-impaired driving awareness. The project also includes the acquisition of one fully equipped 2026 Ford Police Responder DUI Vehicle and one fully equipped 2026 BMW R1300RT Police DUI Motorcycle to enhance enforcement mobility, officer safety, and operational effectiveness. This combined enforcement and education approach will increase the identification of cannabis-impaired drivers, deter impaired driving behavior, and improve roadway safety within the City of Gilroy.

Problem Statement

The Gilroy Police Department serves the City of Gilroy, located in southern Santa Clara County at the intersection of US-101, CA-152, and CA-156. Gilroy functions as a residential community for commuters traveling to Silicon Valley and experiences significant daily commuter and pass-through traffic. Continued residential and commercial development has further increased roadway congestion and traffic volume.

Impaired driving remains a significant public safety concern within the City of Gilroy. Collision and arrest data demonstrate that DUI-related collisions represent a disproportionate percentage of injury crashes within the city. While alcohol-impaired driving continues to be prevalent, internal arrest data indicates that drug-impaired driving (DUID) arrests account for 16% of overall DUI arrests. This suggests that drug-impairment, particularly drug related impairment may be under-identified.

Since the legalization and commercial availability of cannabis products in California, law enforcement agencies have faced increased challenges in detecting and prosecuting cannabis-impaired drivers. Cannabis impairment presents unique detection challenges compared to alcohol impairment, requiring specialized training, proactive enforcement, and targeted deployment strategies.

The Gilroy Police Department Traffic Unit consists of three (3) full-time Motor Officers and one (1) Traffic Sergeant. The Department also maintains a group of previously trained Motor Officers who have rotated back to patrol assignments but remain qualified to assist with traffic and DUI related enforcement. Due to staffing constraints, high call volumes, and competing public safety demands, patrol officers have limited discretionary time to conduct proactive DUI/DUID enforcement during routine patrol operations.

Without dedicated grant funding, the department lacks sufficient equipment and funding to conduct sustained, data-driven cannabis-impaired and alcohol impaired driving enforcement operations.

Schedule A

Performance Measures/Scope of Work (Proposed Solution)

10 DUI Saturation Patrols (Q1 = 2, Q2 = 2, Q3 = 3, Q4 = 3): Aim to reduce DUI/DUID collisions, injuries and deaths by 10% which will improve roadway safety in the community.

2 Community Engagement Events (Q2 = 1, Q3 = 1): Aim to contact at least 300 community members each quarter to increase awareness of driving under the influence. The Engagement Events will coincide with Community hosted festivals, and activities.

1 DUI Enforcement Saturation Vehicle and Upfitting (Q1 = Purchase, Q3 = Receive, Q3-Q4 = Use to complete DUI Saturation Patrols and Community Engagement). We will utilize the vehicle to conduct enforcement operations and during Community Engagement Events.

1 DUI Enforcement Saturation Motorcycle and Upfitting (Q1 = Purchase, Q3 = Receive, Q3-Q4 = Use to complete DUI Saturation Patrols and Community Engagement) We will utilize the motorcycle to conduct enforcement operations and during Community Engagement Events.

Project Performance Evaluation

The success of the project will be evaluated using measurable outcomes, including:

- Number of Saturation Patrols conducted
- Number of DUI and DUID arrests made
- Number of cannabis-impaired driving arrests
- Number of citations issued during operations
- Number of community members reached during engagement events
- Comparison of DUI-related collision data pre- and post-grant period

Arrests and collision data will be analyzed to determine whether targeted enforcement correlates with increased identification of cannabis-impaired drivers and reductions in DUI-related collisions.

Program Sustainability

The equipment purchased through this grant will remain in service beyond the grant period and will continue to support impaired driving enforcement efforts. The department is committed to maintaining trained personnel capable of conducting DUI/DUID enforcement and continuing cannabis-impaired driving education efforts as resources allow.

Administrative Support

The City of Gilroy does not request reimbursement for grant administration costs. Administrative support is provided by Cit-funded personnel, and employee benefits are not charged to grant funds. The department has demonstrated responsible stewardship of prior grant funding and remains committed to transparency and data-driven enforcement strategies.

Schedule B

Detailed Budget Estimate

Award Number	Organization/Agency	Total Amount
30916	Gilroy Police Department	\$120,766.00

Cost Category	Line Item Name	Total Cost to Grant
Personnel	DUI Saturation	\$56,462.00
	Education/Outreach	\$3,304.00
	Category Sub-Total	\$59,766.00
Equipment	DUI Motorcycle (Includes Outfitting & Decals)	\$61,000.00
	Category Sub-Total	\$61,000.00

Grant Total	\$120,766.00
--------------------	---------------------

Schedule B-1 Budget Narrative

Gilroy Police Department

Prior to engaging in grant-funded Saturation Patrols, DUI Checkpoints, or other enforcement activities in areas where the grantee does not have primary traffic jurisdiction, the grantee should consult with the agency having primary traffic jurisdiction.

Personnel

Education/Outreach

\$3,304.00

2 Community Engagement Events (4 HRS EACH) 2 events @ \$1,652 each. Total = \$3,304. Officer OT Rate \$131.00. Sergeant OT Rate \$151.60 per hour.

DUI Saturation

\$56,462.00

10 DUI Saturation Patrols (7 HRS EACH). 420 total hours x \$131.00 per hour for 5 officers and \$151.60 for 1 Sergeant. Total cost, \$56,462.00. Sergeant OT Rate \$151.60 per hour, Officer OT Rate \$131.00 per hour

Equipment

DUI Motorcycle (Includes Outfitting & Decals)

\$61,000.00

DUI Enforcement Saturation Motorcycle 1 @ \$26,000

DUI Enforcement Motorcycle Upfitting 1 @ \$35,000

NOTE: CGU WILL ONLY COVER 1 YEAR WARRANTY- AGENCY IS RESPONSIBLE FOR REMAINING WARRANTY COSTS

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

601 North 7th Street
Sacramento, CA 95811
(916) 843-4360
(800) 735-2929 (TT/TDD)
(800) 735-2922 (Voice)



June 30, 2026

File No.: 060.17344.19741

Sergeant Raul Razo
Gilroy Police Department
7301 Hanna Street
Gilroy, CA 95020

Dear Sergeant Razo:

On behalf of the California Highway Patrol (CHP), it is my pleasure to inform you, the Gilroy Police Department, is conditionally approved for Cannabis Tax Fund Grant Program (CTFGP) funding in the amount of \$120,766.00. The purpose of this grant funding is to help your agency reduce and mitigate the impacts of impaired driving in your community.

All grant awards, including any adjustments to requested funding, were made by the Department based on the merits of the Grant Application, scale of operation, and in accordance with the Request for Application (RFA) requirements and associated regulations.

The official Grant Agreement for signature is forthcoming. In order to execute your Grant Agreement, please provide documentation from a local governing body, authorizing your organization to receive this grant funding, to the Cannabis Grants Unit, by email at CGUGrants@chp.ca.gov, as soon as possible. Refer to California Code of Regulations Title 13, Division 2, Chapter 13, Section 1890.13(g) for additional information.

The CHP looks forward to partnering with you and your agency on this project in an effort to make California's roadways a safer place to travel. If you have any questions, please feel free to contact the Cannabis Grants Unit at (916) 843-4360.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. W. Headrick".

For/

M. W. HEADRICK, Chief
Enforcement and Planning Division





City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of a Partnership with KABOOM! for the Replacement of the Hanna Playground at Las Animas Veterans Park

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Public Works
 Submitted by: John Doughty, Public Works Director
 Prepared by: Matt Jones, Deputy Public Works Director

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

Staff recommends that the City Council approve the City's participation in the KABOOM! playground partnership for the replacement of the Hanna Playground at Las Animas Veterans Park and authorize the City Administrator, or designee, to execute all documents necessary to complete the project.

EXECUTIVE SUMMARY

The City has an opportunity to enter into a partnership with KABOOM! for the replacement of the Hanna Playground at Las Animas Veterans Park. KABOOM! is a national nonprofit organization that works with communities to build kid-designed playspaces.

Under the proposed partnership, KABOOM! would work with the City, a Bay Area-based business that would fund the project and community volunteers, who would contribute to the project construction, in order to replace the existing Hanna Playground. The Bay Area-based business/funder is anticipated to fund the playground equipment and installation crew, while community members would assist with the design and installation through KABOOM!'s community-build model.

The City's Capital Improvement Program includes \$30,000 for project incidentals and

City-related support costs. Approval of the partnership would allow staff to move forward with project coordination, community engagement, site preparation, and construction planning for the playground replacement.

Link to KABOOM! Website for additional information: [KABOOM!](#)

BACKGROUND

Las Animas Veterans Park is one of the City's primary community parks and serves residents, families, sports users, and visitors throughout the year. The Hanna Playground is an important park amenity that provides a dedicated play area for children and families.

The existing playground is approximately 30-years old and is in need of replacement/modernization to improve the overall condition, function, safety, and long-term usability of the play area. As part of the City's Capital Improvement Program, \$30,000 has been set aside to support the project for incidentals and related City costs.

KABOOM! partners with communities to build and improve playspaces. According to KABOOM!, its community-built playground model includes working with the community, receiving guidance from KABOOM! Community Engagement and Build Managers, and building support around the project. KABOOM! also states that its playgrounds are community-built, with residents involved throughout the process, from selecting the playground design through build day.

The proposed partnership would establish the roles and responsibilities necessary to move the Hanna Playground replacement forward, including coordination between KABOOM!, the City, and the local funding partner. The partnership is necessary to secure final commitment of the funder.

ANALYSIS

The proposed partnership would allow the City to participate in KABOOM!'s community-build playground process for the replacement of the Hanna Playground. The partnership is expected to define the responsibilities of each party, including project coordination, funding, site preparation, community engagement, volunteer participation, installation support, and long-term ownership and maintenance of the completed playground.

The local business/funder is anticipated to fund the primary playground improvements, including the playground equipment and installation crew. Community members would assist with installation as part of the KABOOM! model, providing an opportunity for residents and stakeholders to take part in delivering a meaningful improvement at Las

Animas Veterans Park.

The City's role would include entering into the partnership, coordinating with KABOOM! and the funding partner, providing access to the project site, completing City-related preparation and support work, assisting with permitting and utility coordination, supporting volunteer and build-day logistics, and accepting the completed playground as a City park amenity.

The \$30,000 currently included in the Capital Improvement Program would be used for project incidentals and City-related costs. These costs may include site preparation, removal or disposal of existing playground materials, utility checks, minor grading or surface preparation, temporary facilities, construction support, signage, inspections, and other project needs not funded by the local business/funder.

Approval of the partnership would allow KABOOM! to formalize commitment with the funder and allow staff to move forward with the project and coordinate the necessary steps to complete the playground replacement. The project supports the City's ongoing efforts to maintain and improve park infrastructure, leverage outside funding, and involve the community in public improvement projects.

ALTERNATIVES

The City Council may choose not to approve the partnership with KABOOM!. This alternative is not recommended, as it would result in the City losing the opportunity to replace the Hanna Playground with significant outside funding and community support.

The City Council may also direct staff to defer the project and pursue a City-funded replacement at a later date. This alternative is not recommended, as it would require a larger City funding commitment and delay replacement of the playground.

FISCAL IMPACT/FUNDING SOURCE

The City has included \$30,000 in the Capital Improvement Program for project incidentals and City-related support costs associated with the Hanna Playground replacement.

The local business/funder is anticipated to fund the primary playground improvements, including the playground equipment and installation crew. Community members would assist with installation through the KABOOM! community-build process.

No additional appropriation is requested or anticipated at this time. If additional City funding is required, staff will return to the City Council for further direction or budget

authority.

PUBLIC OUTREACH

Public outreach and community involvement are key components of the KABOOM! process. KABOOM! states that residents are active throughout the playground process, from selecting the design through build day, and that volunteer opportunities are available for everyone.

Staff will work with KABOOM!, the local business/funder, and community volunteers to support project communication, planning meetings, volunteer coordination, and build-day logistics. This will provide residents and community members with an opportunity to participate in the replacement of the Hanna Playground and contribute to a lasting improvement at Las Animas Veterans Park.

NEXT STEPS

If approved, staff will finalize the partnership with KABOOM!, subject to review and approval by the City Attorney. Staff will then coordinate with KABOOM! and the local business partner/funder to confirm any agreements and contracts, project schedule, roles and responsibilities, site preparation needs, utility checks, permitting requirements, community outreach, volunteer recruitment, and build-day logistics.

Staff will also coordinate internally with other City Departments as needed, to support successful outreach and project delivery.

Attachments:

1. 2025 KABOOM! Project Summary



KABOOM! PROJECT SUMMARY

Community-Built Playspaces

CONTENTS

Page 1	The KABOOM! Community-Build Model
Page 2	Eligibility Requirements
Page 3	Get to Know the PLAYers
Page 4	Standard Project Timeline
Page 5	Project Phase Overviews
Page 10	Administrative & Legal Responsibilities
Page 12	Corporate Sponsorship Policy

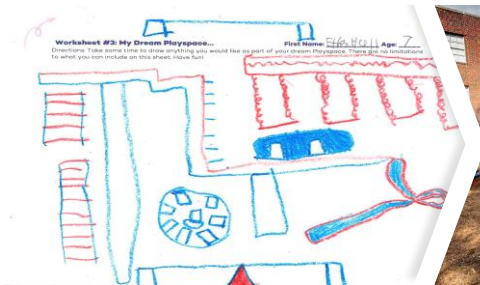
The KABOOM! Community-Build Model

Since 1996, KABOOM! has collaborated with partners to build, open, or improve more than 17,000 playspaces across the country. Our work is community-driven, which means that our projects seek to build trusting relationships, center community voices, and engage diverse stakeholders. We do this by working hand in hand with your kids and adults to design, plan for, and build your community playspace.

We build playspaces in partnership with child-serving nonprofits and municipal agencies. Our projects are an incredible opportunity to build new and exciting places for kids and teens to play.

Through our signature community-build model and with the leadership of a KABOOM! Community Outreach & Project Managers, community partners design their dream playspaces through a four-step process: Activate, Design, Plan, and Build.

FROM DESIGN....



TO REALITY...



The playspace design is inspired by kids' drawings, and built from the ground up by volunteers.

BEFORE



AFTER



Eligibility Requirements

(may vary based on playspace offering)



2,000+ square feet of
space to build



provide services to kids
from communities facing
disinvestment



own the land or obtain
letter of permission



complete site
preparation



demonstrate need for a
playspace



fundraise portion of
equipment cost

Get to Know the PLAYers

COMMUNITY PARTNER (CP)

A Community Partner can be one or several child-serving non-profits, schools, or municipalities providing services to children in need of a safe place to play.

A Community Partner will:

- Own or obtain permission to build on land
- Assume insurance, maintenance, and liability of the new play space
- Secure any necessary permits required locally to build play space
- Make a financial contribution towards the cost of equipment
- Form a committee of community members who will collectively plan the project
- Provide lunch and beverage accommodations during Build Week
- **Build a 2,000+ square foot playspace with community volunteers**

FUNDING PARTNER (FP)

These opportunities are made possible by corporate and foundation partners committed to meaningful outcomes for kids and communities. They are partners in the project, from design through planning and playspace installation.

A Funding Partner will:

- Confirm the community partner for the project and collaborate to determine mutually agreeable project dates
- Establish a strong relationship with the community partner by participating in key calls and planning events
- Provide volunteers to help assemble the playspace along side community volunteers

kaboom.org/application

FUNDING PARTNER CONTINUED

- Help create visibility for the project and its partners through use of social and earned media

KABOOM!

Community Outreach Manager (COM)

Will work with you from the application stage, through screening, and if confirmation, until the Design Day.

Project Manager (PM)

Will join the team after confirmation and support Design Day through Build week, including site logistics and coordinating with the playspace vendor.

Together, COMs & PMs will:

- Guide applicants through the screening process
- Coach and guide confirmed grantees through a 3-month activation, designing, planning, and building process
- Facilitate community engagement, volunteer, and construction management
- PMs will manage construction in person, serving as a liaison between partners and playspace vendors

Landscape Structures Inc. (LSI)

LSI is our playspace manufacturer, who helps us take the vision of your kids and community to design your custom playspace.

LSI CPSI Team

LSI's certified playground safety inspectors are always on site with us and are responsible for supporting site preparation and installation during Build Week.

Standard Project Timeline



Activate

The Activation Phase is the time between project confirmation and Design Day. The purpose of this phase is to generate buzz and enthusiasm for the project, begin recruiting diverse community member voices, and get feedback from the community about the design.

We can accomplish this through a variety of tools based on community needs, which may include virtual meetings, surveys, flyers, and more! Ultimately, we want to make sure that every member of your community feels invited and welcomed to design this playspace.



Create a custom engagement strategy.



Gather community design feedback.



Spread the word.



Implement outreach tools.

Design

The Design Phase is the official kick-off of the community-build playspace project! Your KABOOM! Project Manager will come to your community for Design Day to meet your community and your play experts: the kids! Together, using insights from the Activation Phase, you'll begin to design your new playspace and start the planning process. Once the initial designs are created, a survey will be shared so the community can provide feedback and help revise the design.



SITE WALK

Your KABOOM! team will assess and walk through the logistics of your space with you.



KIDS' DESIGN WORKSHOP

Kids will rev up their imaginations with fun activities and draw their dream playspaces.



ADULT PLANNING WORKSHOP

Community members kick off the planning of the project by forming committees and providing design input based on the kids' visions.

Plan

As the saying goes, many hands make light work! That's why each Community Partner will gather a core group of volunteers—staff, parents, guardians, community members, etc.—to manage a specific aspect of the project, such as construction & logistics, fundraising, and media engagement. Together, this group of individuals makes up the Planning Committee.

In the weeks leading up to Build Week, your COM and PM will host weekly planning calls with **Planning Committee** chairs or members to ensure Build Week is a great success!



MAIN POINT OF CONTACT

- Lead the Planning Committee and will play an integral role in planning



RECRUITMENT

- Help recruit at least 90 volunteers for Build Week
- Recruit registration leads and CPR/first aid certified safety providers for Build Week



FOOD

- Provide packaged lunches, snacks, and bottled water for volunteers during Build Week



FUNDRAISING

- Lead fundraising efforts to towards the cost of the playspace
- Oversee thank you note/recognition process
- Activate local donors to raise funds for the playspace project



PUBLIC RELATIONS

- Promote Build Week to media channels
- Secure music and microphone for Build Week
- Communications planning to bring visibility to the project



CONSTRUCTION & LOGISTICS

- Work closely with PM to conduct site preparation, ensure soil test and utility checks are completed, contribute to maintenance plan, and ensure the playspace site is ready to go for Build Week
- Secure accommodations for volunteers (e.g. parking, restrooms)
- Develop a plan to collect and dispose of trash and recycling
- Ensure access to running water and electricity on site

Build

Build Week is the exciting culmination of your planning and preparation. Over the course of 3 days, volunteers will come together to build the playspace your community designed from the ground up!



PREPARE



BUILD TOGETHER



CELEBRATE

Post-Build

We want to hear about how the community is enjoying the playspace! Immediately following the build, the Community Partner will be asked to complete and share a brief play survey. A second survey will be shared one-year following the build.

Additionally, two to three weeks after the project is completed, the Community Partner, Funding Partner, and KABOOM! will participate in a post-build call.



Thank you for your incredible time and energy over the past few months. We now invite you to reflect for 5-10 minutes on our work together and the outcomes achieved. Please do share your honest thoughts, takeaways, and feedback. We sincerely appreciate your input!

All responses will be anonymous.

What is the Name of your Community/Playspace Location?

The play survey is completed directly following Build Week.

Administrative and Legal Responsibilities

COMMUNITY PARTNER AGREEMENT *(Contract)*

KABOOM! requires a potential Community Partner to review and approve the draft Community Partner Agreement by any legal or board review, before moving ahead in the competitive application process. We cannot fully consider any organization for funding until this document has been reviewed and approved by all necessary parties. Once the contract has been approved, the Community Partner must sign a Letter of Intent.

LETTER OF INTENT *(LOI)*

Community Partners must submit a Letter of Intent in order to complete the screening process. The LOI signifies that legal review has been completed and that, if selected, the Community Partner can sign and return a fully executed Community Partner Agreement within three business days.

LAND OWNERSHIP *(LOP)*

Community Partners must provide either proof of land ownership (a copy of the deed, tax records, or a property survey) or a copy of their current lease with a Letter of Permission from the landowner.

PLAYSPACE SURFACING

Playspace grants include Engineered Wood Fiber (EWF) surfacing. EWF is safe and ADA compliant under play structures, as long as it is regularly raked to an even, deep distribution. Community Partners interested in alternative forms of safety surfacing are responsible for purchasing and installing it.

PERMITTING

Community Partners must determine if a permit is required to build a playspace at the proposed site. Identifying the process for obtaining and ultimately obtaining a permit can be time consuming; it is important to understand these requirements during the selection process, so that KABOOM! can help ensure a successful timeline. Prior to Build Week, securing a permit is the sole responsibility of the Community Partner.

COMMUNITY CONTRIBUTION

Community Partners are responsible for raising a financial contribution of \$8,500, which may be raised using a combination of existing funds, grassroots fundraising, and local business support. This cash contribution is due to KABOOM! 30 days prior to Build Week and goes directly toward the playspace equipment costs.

INSURANCE

Community Partners must be able to provide insurance for the playspace amounting to one million dollars in commercial liability insurance, as well as add KABOOM! and the Funding Partner(s) as 'additional insured' parties for the Build Week and one year thereafter. Proof of insurance must be submitted to KABOOM! 30 days prior to the Build Week. Insurance is not required to be in place until Build Week. For self-insured entities, the self-insurance must be primary for the same amount of time.

Continued on the following page.

Administrative and Legal Responsibilities *(continued)*

SOIL TESTING

If selected, the Community Partner must have the soil of the proposed playspace site tested for levels of lead and arsenic prior to the Design Day. Community Partners may identify any lab of choice that tests for lead and arsenic. It is the Community Partner's responsibility to have the results analyzed according to local standards to ensure the levels are acceptable. If levels are too high, it is the Community Partners' responsibility to remediate the soil appropriately.

Past Community Partners have had success with TestAmerica.

Click [here](#) to view locations.

UTILITY CHECK

If selected, the Community Partner must have public and private utility checks completed. The public utility check should be a free service from utility providers. The first check must happen right after a site is selected and completed, with markings visible, by Design Day. It is the responsibility of the Community Partner to extend the utility check to cover the Build Week, when holes will be dug for the playspace.

SIGNAGE

A sign welcoming visitors to the playspace will be installed near the entrance of the footprint. The sign is two-sided and measures 30.25" x 14.25." The Community Partner, Funding Partner, and KABOOM! logos will be displayed on this sign.

SITE PREPARATION

The Community Partner is responsible for the completion of site preparation. The entire playspace footprint must be prepared to a flat, dirt surface with no more than a 2% grade and any existing playspace equipment within this footprint must be removed. Different surfacing involves alternative preparation expectations that would be discussed during screening. Test holes will be requested by the Project Manager to get a sense for the challenges around hole digging. This must all be completed at least two weeks before Build Week.

ADA PATHWAY

All KABOOM! projects must have an accessible pathway from a hardscape to the entry point of the playspace. In some cases the Community Partner can work with the KABOOM! Project Manager to install a brick paver or compacted stone/aggregate pathway leading from a parking lot, sidewalk, or wooden deck walkway as part of Build Week. However, there are some sites where the Community Partner will need to do advanced level site preparation to introduce an accessible pathway.

Corporate Sponsorship Policy

Please be aware that KABOOM! has a corporate sponsorship policy that all Community Partners must abide by to ensure that contributions from the Funding Partner are appropriately acknowledged:

- Volunteers recruited from organizations or companies should be in groups of 10 or less
- No branded clothing or signage from groups other than the Community and Funding Partner should be worn during Build Week
- Volunteers cannot wear hats, shirts, buttons, etc. identifying them as part of another group organization
- Only the Funding Partner, Community Partner and KABOOM! will have permanent signage or recognition on the project site
- Community Partners cannot solicit support from direct competitors of the Funding Partner
- If a restaurant donates food, they may include menus or cards on the serving table
- Other organizations and companies may be thanked by making one large banner recognizing all project supporters
- We do not work with companies in the industries of Alcohol, Tobacco and Firearms

QUESTIONS?

KABOOM! is here to help you every step of the way! From the screening process to closing ceremony, you have our support!



City of Gilroy

STAFF REPORT

Agenda Item Title: Adoption of an Ordinance of the City Council of the City of Gilroy Amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts

Meeting Date: July 27, 2026

From: Matt Morley, City Administrator

Department: Community Development

Submitted by: Sharon Goei, Community Development Director

Prepared by: Bryce Atkins, Deputy Director of Community Development

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Council adopt an ordinance of the City Council of the City of Gilroy amending Gilroy City Code Chapter 5D, "*Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts*".

BACKGROUND

At the June 15, 2026, regular meeting of the Gilroy City Council, the Council held a public hearing and introduced an ordinance to restore Chapter 5D, which relates to vacant commercial space and plywood use in the downtown area. The introduction was approved by a vote of 6-0-1 (one absent).

ANALYSIS

Attached to this staff report are the introduced ordinance and the previous staff report, which contains the analysis and discussion of the proposed ordinance.

The proposed ordinance repeals and replaces Chapter 5D in order to restore the City's

vacant commercial space regulations for the Downtown Historic and Downtown Expansion Districts. The ordinance removes the prior sunset language, updates the chapter structure, and adds new provisions intended to address prolonged vacancies, unfinished storefront conditions, and the temporary use of plywood.

The ordinance includes the following major components:

1. Restoration of Chapter 5D

The ordinance removes the prior sunset provision and restores the City's authority to regulate vacant commercial spaces in the Downtown Historic and Downtown Expansion Districts. Going forward, Chapter 5D will remain in effect unless later amended or repealed by the City Council.

2. Vacant Commercial Space Registration

Responsible persons must register vacant commercial spaces within ten consecutive days after a space becomes subject to the chapter. Registration must be renewed annually by January 1 of each year the space remains vacant and must also be renewed within ninety days of a change in ownership.

3. Building Report Card Requirement

Upon registration, the City will produce a building report card sign to be posted on the building or structure so it is visible from the public right-of-way. The sign will include responsible party contact information, the date the structure became vacant, and any building or City code compliance violations requiring correction.

4. Window Display Standards

Commercial spaces that have been unoccupied for more than ninety consecutive days must install appropriate window displays or coverings on ground-floor windows facing sidewalks, streets, alleys, or public open spaces. Acceptable treatments include faux window dressings, works of art, cultural, historical, or educational displays, window paintings, or other measures approved by the Community Development Director or designee. Raw coverings such as drywall, sheeting, plastic, butcher paper, plain paper, or similar unfinished materials are prohibited.

5. Plywood Regulations

The ordinance allows plywood only as a temporary measure when needed to secure exposed entry points or when a building façade must be removed. Plywood must be decorated in compliance with the chapter within ninety days of installation and must be removed within one year, unless a one-year extension is approved due to extenuating circumstances.

6. Updated Fees and Fines

The ordinance establishes an initial vacant commercial space registration fee of

\$750 and an annual renewal fee of \$1,500. It also establishes fines of \$150 per week for failure to register or renew registration, \$500 per month for plywood that remains undecorated after ninety days, and \$250 per month for plywood that remains beyond one year after installation.

7. Collection and Enforcement Remedies

The ordinance authorizes the City to pursue available legal and equitable remedies to collect delinquent fees, fines, interest, and penalties. Delinquent amounts may be recorded as a lien or special assessment against the property on which the violation occurred, subject to applicable procedural requirements. The ordinance also confirms that enforcement remedies are cumulative and that responsible persons are jointly and severally responsible for compliance and payment obligations.

Adoption of the ordinance will complete the legislative process and allow staff to begin implementation and outreach to affected downtown property and business owners.

ALTERNATIVES

The City Council may choose not to adopt the ordinance. If the ordinance is not adopted, Chapter 5D will remain inactive, and the City will not have the restored regulatory tools proposed to address downtown vacant commercial spaces and plywood conditions.

The City Council may also direct modifications to the ordinance. However, substantive modifications at this stage would likely require reintroduction of the ordinance and a subsequent return to Council for adoption.

FISCAL IMPACT/FUNDING SOURCE

Implementation will require staff time for administration, outreach, inspections, registration processing, enforcement, and collection activities. Registration fees are intended to offset a portion of the cost of administering the program.

Based on an estimate of twenty-five vacant commercial spaces at the time of implementation, the initial registration fee could generate approximately \$18,750 in revenue. Actual revenue will vary based on the number of vacant commercial spaces, compliance levels, enforcement activity, and the number of annual renewals.

No additional appropriation is requested with this action.

PUBLIC OUTREACH

This item has been discussed through the City Council's strategic planning process and at prior public City Council meetings, including the November 3, 2025, and May 18, 2026, meetings. Staff also conducted two input meetings with downtown business and property owners and advertised a survey by mail to downtown business and property owners.

The ordinance was introduced at the June 15, 2026, regular City Council meeting and has been placed on the July 27, 2026, consent calendar for adoption. Following adoption, staff will conduct additional outreach to affected property and business owners regarding implementation of the restored Chapter 5D requirements.

NEXT STEPS

If adopted, the ordinance will take effect thirty days after adoption pursuant to the City Charter. Staff will then prepare registration forms, outreach materials, implementation procedures, and enforcement guidance for affected properties in the Downtown Historic and Downtown Expansion Districts.

Attachments:

1. Draft Chapter 5D Ordinance
2. Staff Report - June 15, 2026, Downtown Plywood and Vacancy Ordinance Introduction

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GILROY REPEALING AND REPLACING GILROY CITY CODE CHAPTER 5D, VACANT COMMERCIAL SPACE IN THE DOWNTOWN HISTORIC AND DOWNTOWN EXPANSION DISTRICTS

WHEREAS, pursuant to California Constitution Article XI, Section 7, and the City Charter, Section 600, the City Council has the authority to enact ordinances which promote the public health, safety, and general welfare of its residents; and

WHEREAS, the City Council adopted Ordinance No. 2012-02 on February 6, 2012, creating Chapter 5D entitled “Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts”, for the purpose of reducing the adverse effects of vacant commercial buildings in the Downtown Historic and Expansion Districts, by requiring ground floor windows to be maintained with interesting and/or artistic visual displays, registration of vacant commercial spaces, and monitoring for substandard and/or unkempt commercial buildings and the appearance of long-term vacancies in commercial buildings; and City Code, Chapter 5D, pertaining to downtown vacancies; and

WHEREAS, Chapter 5D contained a sunset provision (Section 5D.13) whereby the entire chapter was to terminate and be of no further force and effect upon the termination date of the Seismic Safety Ordinance (Ordinance No. 2011-07); and

WHEREAS, the Seismic Safety Ordinance’s final extension period, effectuated by Resolution No. 2015-56, ended on December 16, 2016, at which time Chapter 5D’s sunset provision took effect, and the requirements and enforcement provisions to address vacant commercial spaces in the downtown districts expired; and

WHEREAS, In 2023, the City Council of the City of Gilroy created the Downtown Ad Hoc Committee to review identified issues to be addressed in the downtown districts. Two of these issues were vacant commercial buildings and the use of plywood in the downtown districts; and

WHEREAS, the Downtown Ad Hoc Committee issued recommendations to the Gilroy City Council to re-activate Chapter 5D of the Gilroy City Code and modifications to the same to enhance its effectiveness at addressing the above-mentioned issues; and

WHEREAS, commercial buildings that remain vacant for extended periods may adversely affect surrounding businesses, detract from the appearance of a vibrant downtown, and contribute to blighted conditions that negatively impact the community; and

WHEREAS, the City Council desires to strengthen the City’s vacant commercial space regulations by requiring a building report card for registered vacant commercial spaces, prohibiting unfinished window and facade coverings, regulating temporary plywood installations, updating registration fees and fines, expanding collection remedies, and removing the sunset provision; and

WHEREAS, the City Council finds that these amendments will further the public health, safety, and welfare by promoting the maintenance, appearance, and accountability of vacant commercial spaces in the downtown area.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GILROY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I

Chapter 5D of the Gilroy City Code is hereby repealed and replaced to read as follows:

CHAPTER 5D VACANT COMMERCIAL SPACE IN THE DOWNTOWN HISTORIC AND DOWNTOWN EXPANSION DISTRICTS

5D.1 Purpose.

Commercial buildings that are vacant for an extended period of time may adversely affect surrounding businesses, detract from the appearance of a vibrant downtown, and may contribute to blighted conditions that negatively impact the entire community. The purpose of this chapter is to minimize these adverse effects by preserving and improving the appearance of downtown Gilroy by requiring ground-floor windows of vacant commercial buildings in the Downtown Historic and Downtown Expansion Districts to be aesthetically pleasing when viewed from the street and sidewalk.

5D.2 Scope.

The provisions of this chapter shall apply to all structures in the Downtown Historic District and the Downtown Expansion District, unless otherwise stated, including, but not limited to, properties that have been the subject of a foreclosure sale wherein title has been transferred to the beneficiary of a deed of trust involved in the foreclosure, and to any properties transferred under a deed in lieu of foreclosure or sale. All responsible persons shall comply with the requirements of this chapter.

5D.3 Administration.

This chapter will be administered by, and may be enforced by, the community development director or his or her designee, who may adopt administrative rules and regulations consistent with its terms.

5D.4 Definitions.

For the purposes of this chapter:

“City” means the City of Gilroy.

“Commercial space” means any portion of a structure in the Downtown Historic District or Downtown Expansion District that is not intended for residential use.

“Downtown Historic District” and “Downtown Expansion District” mean the respective zoning districts of the city, as defined in the Gilroy Zoning Ordinance.

“Occupied”. A commercial space is deemed to be “occupied” when a permitted, nonresidential tenant or user resides in or is physically located in, and is lawfully and actively operating in, the space for at least thirty (30) days and meets the proof of physical occupancy criteria as set forth in Section 5D.6(g).

“Responsible person” means any person, firm, association, corporation, business entity, trustee, or receiver, or agent thereof, which owns, leases, rents or has lawful possession of a structure in the Downtown Historic District or in the Downtown Expansion District.

“Vacant commercial space” means any portion of a street-level commercial space that is not occupied and has not been occupied for a period of ninety (90) consecutive days at the time the ordinance codified in this chapter becomes effective or any time thereafter.

5D.5 General minimum maintenance requirements.

Responsible persons shall at all times maintain all structures they own, lease, rent or lawfully possess in the Downtown Historic District and Downtown Expansion District pursuant to the Gilroy City Code, the Gilroy Zoning Ordinance and the current construction codes contained in Chapter 6, as amended by the city council.

5D.6 Vacant commercial space registration.

(a) At least one (1) responsible person for each vacant commercial space must register that space with the city in accordance with this chapter within ten (10) consecutive days of the date the space becomes vacant commercial space.

(b) In order to register a vacant commercial space, as required by this chapter, a responsible person must submit to the community development director, or his or her designee, all of the following information in writing:

- (1) The street address and assessor’s parcel number of the vacant commercial space;
- (2) The name, address, and daytime and evening telephone numbers of each responsible person for the vacant commercial space, including any owner or tenant;
- (3) The period of time the vacant commercial space is estimated to remain vacant; and
- (4) Any other information requested by the community development director or his or her designee for the administration of this chapter.

(c) The registration of a vacant commercial space subject to this chapter must be renewed annually no later than January 1st of each year that the space was vacant.

(d) The registration of a vacant commercial space subject to this chapter must be renewed within ninety (90) consecutive days of its change of ownership.

(e) Initial and renewal registrations must be submitted on forms to be provided by the community development director, which forms shall be filled out completely and signed by at least one (1) responsible person.

(f) Building Report Card. Upon completion of registration, the department shall produce a sign no less than eighteen inches by twenty-four inches (18" x 24") posted on the front of the exterior building or structure so it is legible from the public-right-of-way with the following information: (i) name, address, and twenty-four-hour contact telephone number of the owner, responsible party, or property management company; and (ii) the statement "THIS PROPERTY MANAGED BY" with the appropriate name inserted and "TO REPORT PROBLEMS OR CONCERNS CALL" with the twenty-four hour telephone number listed. The sign shall also identify the date the structure became vacant and identify any building or city code compliance violations requiring correction.

(g) Upon satisfactory proof to the community development director, or his or her designee, that a vacant commercial space is and has been occupied for at least thirty (30) consecutive days, the vacant commercial space will be unregistered. Proof of physical occupation may include, but is not limited to, proof of the presence of usable furniture, office equipment, retail inventory or other equipment and inventory in the street-level commercial space that is consistent with the structure's intended use, and the regular presence of persons using the street-level commercial space for its intended use. Proof of physical occupancy must also include documentation of occupancy, which may include, but is not limited to, an executed lease agreement, or valid state and local business licenses indicating the subject space is the official business address of the person or business claiming occupancy.

(h) The determination of the number of vacant commercial spaces a structure contains for purposes of registration will be made by the community development director or his or her designee. The number of vacant commercial spaces will be determined by the physical areas that have separate entrances to the commercial space from a public entry or a joint tenant corridor and/or entry to the commercial space.

(i) The provisions of this chapter shall not apply to a vacant commercial space if the following apply:

(1) The window display area space is the subject of a current, valid building permit for repair or rehabilitation and the responsible person provides proof, such as receipts, invoices or executed contracts, that the repair or rehabilitation is proceeding without significant delay.

5D.7 Window displays for commercial spaces not occupied for (90) ninety days.

Whether or not a vacant commercial space is registered pursuant to this chapter, if any commercial space in the Downtown Historic District or Expansion District has been unoccupied for more than ninety (90) consecutive days at the time this chapter becomes effective or any time thereafter, then responsible persons shall immediately construct and/or install at least one (1) of the following types of displays on or inside all ground-floor windows that face sidewalks, streets, alleys, or public open spaces:

- (a) Faux window dressings containing goods or services with the visual characteristics of a vibrant business using background panels or other methods to screen views of the unoccupied space from the street, sidewalk and public areas;
- (b) Works of art or other displays of cultural, historical, or educational value, using background panels or other methods to screen views of the unoccupied space from the street, sidewalk and public areas;
- (c) Window paintings featuring visually appealing scenes depicting or suggesting business or cultural activities;
- (d) Drywall, sheeting, plastic, butcher paper, plain paper or other raw coverings are strictly prohibited. All windows, openings, doors, facades, awnings, must be finished in appearance or in compliance with at least one of the above methods; or
- (e) Other measures consistent with these examples, if approved in writing by the community development director or his or her designee, in his/her discretion.
- (f) Any decorative artwork and mural designs proposed for use must be appropriate for all ages in the community. The community development department will provide examples of appropriate designs to interested responsible persons.

5D.8 Regulations on the use of plywood.

- (a) Plywood may be utilized if the building façade needs to be removed, or as a temporary measure to restrict unpermitted entry when doors, windows, or other potential entry points are exposed and need to be secured.
- (b) Plywood must be decorated in compliance with the requirements provided in Section 5D.7. Such decoration shall be completed within ninety (90) days of installation.
- (c) Plywood must be removed one (1) year after installation.
 - (1) No additional permits will be approved until any active permit is completed, the temporary front is removed, and all applicable fines are paid.
 - (2) Properties may request a one-year extension if there are extenuating circumstances. The community development director or their designee may approve such extensions in writing at their discretion.

5D.9 Fees and fines.

- (a) Commercial space registration. At least one (1) responsible person shall pay an annual registration fee for each registered vacant commercial space that is separately owned or leased. In the case of a newly constructed or remodeled building in which individual spaces are not separately owned or leased, a single initial and annual registration fee shall be paid to cover all commercial spaces within the building. At least one responsible person must pay an initial registration fee to the city at the time the space is registered, and must pay an annual renewal registration fee by January 1st each following year that the space or spaces remain vacant. Registration fees will not

be prorated. These registration and fee requirements are applicable to any vacant commercial space in the Downtown Historic District or Expansion District that at the time the ordinance codified in this chapter becomes effective or any time thereafter. The fees will be as follows:

(1) Initial registration: seven hundred fifty dollars (\$750.00).

(2) Annual renewal registration: one thousand five hundred dollars (\$1,500.00).

(3) The fees are intended to defray the costs of administering this chapter and may be changed by the city council to meet these costs.

(b) Failure to register, or renew the registration of, vacant commercial space in violation of Section 5D.6 shall incur a fine of one hundred fifty dollars (\$150.00) per week, or portion thereof, until compliance with the registration requirements is complete.

(c) Plywood, or any portion thereof, that remains undecorated after ninety (90) days in violation of Section 5D.8 (b) shall incur a fine of five hundred dollars (\$500.00) per month or portion thereof.

(d) Plywood that remains beyond one (1) year after installation in violation of Section 5D.8 (c) shall incur a fine of two hundred fifty dollars (\$250.00) per month, or portion thereof, until all plywood is removed.

(e) Any other violation of this Chapter shall incur a fine as detailed in Chapter 1.7 of the Gilroy City Code.

5D.10 Delinquent fees, fines, interest and penalties—collection.

(a) If a responsible person fails to pay the registration fee by the due date, the city is authorized to take action to collect the registration fee including a ten percent (10%) per month late payment penalty and its costs of collection, including attorneys' fees, by use of any and all available legal means; in which case such penalties and costs incurred by the city as a result of the collection process will be assessed to the responsible person or responsible persons in addition to the registration fee.

(b) The city may pursue any and all legal and equitable remedies for the collection of fees and fines, including interest and penalties.

(c) Delinquent fees, fines, interest, and penalties may be recorded as a lien or special assessment against the property on which the code violation occurred. Prior to recording a lien or special assessment, the city shall prepare a cost report itemizing the amount owed by the responsible person. The city shall comply with the State Board of Equalization or any other state or county law pertaining to the recording of any delinquent fines, interest, and penalties as a lien on the property, or as a special assessment.

(d) The administrative citation process described in this chapter does not preclude the city from recovering any code violation abatement cost incurred by the city in performing its code enforcement efforts.

5D.11 Duty to amend registration statement.

Responsible persons for any registered vacant commercial space shall advise the community development director or his or her designee, in writing, of any changes to the information on the registration form within thirty (30) consecutive days of the occurrence of the change.

5D.12 Inspections.

The community development director or his or her designee, or code enforcement officers, or both are authorized to conduct inspections to enforce the provisions of this chapter.

5D.13 Enforcement.

(a) The city may enforce the provisions of this chapter by any of the provisions of the Gilroy City Code, which are in addition to any other remedies provided for by law. Said remedies shall be cumulative and not exclusive.

(b) It shall be unlawful for any responsible person to violate or fail to comply with any provisions of this chapter. Each responsible person commits a separate offense for each and every day they commit, continue or permit a violation of any provision of this chapter.

(c) Any responsible person violating any of the provisions of this chapter shall be deemed guilty of an infraction, and upon conviction, shall be punished as set forth in Government Code Section 36900, as it now exists or may hereafter be amended.

(d) All responsible persons are jointly and severally responsible with respect to compliance with all provisions of this chapter and for any payments required to be made to the city under this chapter, including but not limited to registration fees, late penalties, and costs of collection and enforcement, including attorneys' fees and costs. If the commercial space is subject to a lease, the city shall have discretion to determine whether to enforce this chapter against the commercial space owner, the tenant, or both of them.

SECTION II

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council of the City of Gilroy hereby declares that it would have passed and adopted this ordinance, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION III

Pursuant to section 608 of the Charter of the City of Gilroy, this ordinance shall be in full force and effect thirty (30) days from and after the date it is adopted.

PASSED AND ADOPTED this 27th day of July, 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **Kim Mancera**, City Clerk of the City of Gilroy, do hereby certify that the attached **Ordinance No. 2026-XX** is an original ordinance, or a true and correct copy of a City Ordinance, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said Council held on **Monday, July 27, 2026**, with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **DATE**.

Kim Mancera

City Clerk of the City of Gilroy





City of Gilroy

STAFF REPORT

Agenda Item Title: Introduction of an Ordinance of the City Council of the City of Gilroy Amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts

Meeting Date: June 15, 2026

From: Matt Morley, City Administrator

Department: Community Development

Submitted by: Sharon Goei, Community Development Director

Prepared by: Bryce Atkins, Deputy Director of Community Development

STRATEGIC PLAN GOALS: Promote Economic Development Activities

RECOMMENDATION

Council:

1. Motion to read the ordinance by title only and waive further reading.
2. Introduce an Ordinance of the City Council of the City of Gilroy amending Gilroy City Code Chapter 5D, Vacant Commercial Space in the Downtown Historic and Downtown Expansion Districts.

BACKGROUND

In 2023, the City Council established the Downtown Committee to focus on economic enhancement and revitalization of Downtown Gilroy. From its inception, the Committee identified plywood coverings on vacant storefronts and long-term vacant buildings as major visual and economic deterrents. These elements harm the downtown's image, economic activity, and community safety.

To address these challenges, the Downtown Committee formed two specialized subcommittees:

- **Plywood Removal Subcommittee (PRS):** Tasked with developing strategies and regulations to minimize or eliminate unsightly plywood coverings on vacant storefronts, while promoting aesthetically pleasing and transparent alternatives.
- **Vacancy Ordinance Subcommittee (VOS):** Focused on addressing prolonged vacancies in downtown buildings through new regulations and incentives to promote occupancy.

In 2024, the PRS and VOS presented their joint report and recommendations to the City Council, who directed staff to add the two items to the Community Development Department's work plan. In subsequent updates to the City Council, staff noted that these items fell under the discretionary category – City initiatives for the public good that are typically Council- or community-driven but not mandated or core services. Staff also estimated completion by June 2025 (FY 2025 Q4), balancing priorities, daily operations, and mandated and core items against limited resources.

In spring 2025, during budget and workplan development, a long-term Code Enforcement Officer retired – just as the GilroyConnect (SeeClickFix) platform launched – requiring staff to defer these items to FY 2026.

On November 3, 2025, staff returned to Council to provide an update on the initiative and to receive Council direction to revive and strengthen Chapter 5D. The Council provided direction to pursue updating Chapter 5D, consider the Downtown Committee's recommendations, seek input from property and business owners, and return with a discussion of a possible vacancy tax.

At the May 18, 2026 regular meeting of the City Council, staff presented a report on the property and business owner input received and on draft code language incorporating the Downtown Committee's recommendations, with a few modifications. The Council provided direction to accept the modifications, proceed with the ordinance process, and not pursue the vacancy tax at this time.

ANALYSIS

Based on the direction received from Council, staff has prepared the attached ordinance for introduction, incorporating the Downtown Committee's recommendations as modified and directed by the City Council. In summary, it incorporates the following changes to Chapter 5D of the Gilroy City Code:

1. Removes the sunset section of Chapter 5D. Upon the effective date of the proposed ordinance, Chapter 5D will become active again as a result of this removal. There will be no sunset provision going forward, allowing for active enforcement until the Council approves a change to this chapter.
2. Includes the registration fee. The initial and annual renewal registration fee language is already included in Chapter 5D and will become active again once the sunset section is removed. The registration fee has been increased to \$750

for initial registration, with an annual renewal fee of \$1,500. The 10% per month interest provision for late payments is proposed to remain.

3. Amends the chapter language regarding the collection of delinquent fees, fines, interest, and penalties to allow for all legal remedies and specifically identifies the ability to assess the amounts owed to the City as a special assessment to the property tax bill of the property where the violations occurred.
4. Adds the requirement of a building report card that would be placed on the property with required information, including name, telephone number, address, date the building became vacant, and any identified code violations for the building.
5. Adds a section focused on the use of plywood and the regulations surrounding it. These provisions include the following:
 - a. Prohibited materials
 - b. Appropriate decorative artwork required
 - c. 90-day and one-year limitations for decoration and removal, respectively, as well as fine amounts proposed
6. Identifies that delinquent fees, fines, interest, and penalties may be collected via special assessments on annual property tax rolls or via liens on the property when sold.

The ordinance in Attachment 1, for introduction and eventual adoption, repeals the entirety of Chapter 5D and replaces it with the revised Chapter 5D due to the sunset language of the original Chapter 5D. A document containing the redline edits showing the changes from the current version of Chapter 5D is also attached for review as Attachment 2.

ALTERNATIVES

Council may choose to amend or reject the proposed ordinance. Amending the ordinance would require holding a new public hearing, incurring a minor additional cost for a second advertisement, and requiring staff time to make the modifications.

FISCAL IMPACT/FUNDING SOURCE

Staff time will be used to implement the identified programs and any additional regulations that Council may direct. Revenue will be generated from program fees to help offset the impact on staff time and associated costs of managing and enforcing the program. The amounts will vary based on vacancy rates and compliance levels with the proposed code provisions.

An estimate, assuming 25 vacancies exist at the effective date, would be \$18,750 in initial registration fee revenue. An estimate of expenditures at this time is unavailable due to significant variability in the factors that affect program costs.

PUBLIC OUTREACH

This item has been discussed as part of the City Council's strategic planning process, at the November 3, 2025, and May 18, 2026, regular meetings, and was included on the publicly posted agenda for this meeting. Additionally, there have been two input meetings with business and property owners, and a survey was advertised by mail to all business and property owners in the City's downtown. For a description of the input received, please reference the staff report entitled "*Consideration of Downtown Plywood and Vacancy Regulations*" in the May 18, 2026, agenda packet.

If adopted, staff will conduct outreach to property and business owners regarding the implementation of the revised City Code chapter.

NEXT STEPS

If introduced, the ordinance will return to the City Council at the July 27, 2026, regular meeting on the consent calendar for adoption. Staff will then develop and distribute outreach materials to affected property and business owners.

Attachments:

1. Draft Chapter 5D Ordinance
2. Gilroy City Code Chapter 5D with Edits



City of Gilroy

STAFF REPORT

Agenda Item Title: Approve the Fourth Amendment to the Agreement with Chrisp Company for On-Call Striping and Pavement Marking Services

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Public Works
 Submitted by: Nisha Patel, City Engineer
 Prepared by: Nisha Patel, City Engineer

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Staff Recommends the City Council:

1. Approve the fourth amendment to the agreement with Chrisp Company to add \$275,493.68 to the contract for a total amount not to exceed \$785,493.68.
2. Extend the term of the agreement to June 30, 2027.
3. Authorize the City Administrator to execute the amendment and related documents.

EXECUTIVE SUMMARY

Due to recent updates to the California Vehicle Code, local authorities can consider reduced speed limits in school zones to enhance safety. Staff hired a consultant, Parametrix, to evaluate and make recommendations for reducing speed limits in school zones. In June, the City Council approved reduction of speed limits in school zones and further directed that staff implement, to the extent practicable, prior to the beginning of the school year (August 19). Staff is proposing to amend the current agreement with Chrisp Company (Chrisp) to add \$275,493.68 to the contract amount and direct Chrisp to implement the recommended reductions in speed limits in school zones.

BACKGROUND

In November 2020, the City Council awarded a three-year contract to Chrisp Company (Chrisp) in an amount not-to-exceed \$510,000 for On-Call Striping and Pavement Marking Services. The original not-to-exceed contract amount was not fully expended within three years. This resulted in the term of the agreement being extended from December 31, 2023, to December 31, 2026, via Amendments #1, #2, and #3. The current contract balance is \$82,637.69.

Chrisp's on-call striping and pavement marking services are carried out under CIP Project 800330 (Pavement Markings). The contract's scope of work includes, but is not limited to, routine and emergency pavement striping, markings, and markers; striping removal; curb painting; School Zone delineations and markings; planning and implementation of temporary traffic control measures (including pedestrian detour plans), installation of construction area signs, and additional related services as requested.

In response to recent updates to the California Vehicle Code (CVC), which outlines provisions for local authorities to consider reduced school zone speed limits if certain conditions are met, the City hired Parametrix, Inc. (Parametrix) to conduct an evaluation of the areas around 17 schools and prepare a report identifying locations to be considered for reduced speed limit zones.

On June 15, 2026, the City Council adopted a resolution reducing speed Limits on specific designated streets in school zones to 15 mph or 20 mph, depending on certain criteria. On July 27, 2026, the City Council is expected to adopt a resolution reducing speed limits on specific designated streets approaching school zones to 25 mph. The study prepared by Parametrix will be used to implement the speed limit reductions authorized by the City Council on June 15, 2026.

ANALYSIS

Staff is proposing to amend the agreement with Chrisp Company to fund the implementation of the reduced speed limits in school zones. The work is estimated to include the replacement and/or installation of approximately 250 signs in seventeen (17) school zones. Completing this work under the existing agreement with Chrisp Company will allow staff to expedite the improvements and meet the commitment for completion by beginning of school year.

ALTERNATIVES

The City Council could choose to not amend the agreement with Chrisp Company and could direct staff to implement the speed limit reductions in school zones by issuing an Invitation to Bid on the improvements. This is not recommended because it would delay the implementation of the proposed improvements and would not be expected to result

in a lower cost.

FISCAL IMPACT/FUNDING SOURCE

The account for CIP Project 800330 (Pavement Markings) is funded by Vehicle Registration Fees (Fund 220). This account ended FY26 with a balance of \$31,493.68. The FY27 budget for the same account is \$244,000. During the upcoming CIP budget process, the FY26 balance of \$31,493.68 will be rolled over and added to the FY27 budget. This will result in a FY27 budget of \$275,493.68 for CIP Project 800330 (Pavement Markings).

The fourth amendment to the Chrisp Company agreement, which will add \$275,493.68 to the contract, will be funded by CIP Project 800330 (Pavement Markings). This will result in a total not-to-exceed contract amount of \$785,493.68. The Chrisp contract balance after the proposed Amendment #4 will be \$358,131.37 and shown in the table below.

Project Account 800330	
FY26 Account Balance (rollover to FY27)	\$31,493.68
FY27 Account Budget	\$244,000.00
Total Account Balance	\$275,493.68
Original Chrisp Contract	\$510,000.00
Amendment #4	\$275,493.68
Total Chrisp Contract Amount after Amendment #4	\$785,493.68
Current Chrisp Contract Balance as of 7/1/2026	\$82,637.69
Amendment #4	\$275,493.68
Chrisp Contract Balance after Proposed Amendment	\$358,131.37

PUBLIC OUTREACH

N/A

NEXT STEPS

If the fourth amendment to the agreement with Chrisp is approved, staff will execute the amendment and authorize Chrisp to implement the reduced speed limits in school zones with the goal of completing prior to August 19.

Attachments:

1. ADDENDUM 4 to Agreement for Services

**FOURTH AMENDMENT TO AGREEMENT FOR SERVICES WITH CHRISP COMPANY
FOR ON-CALL STRIPING AND MARKING MAINTENANCE SERVICES**

WHEREAS, the City of Gilroy, a municipal corporation (“City”), and Chrisp Company entered into that certain agreement entitled On-Call Striping and Marking Maintenance Services Project No. 20-RFP-PW-451, effective on 11/16/2020, hereinafter referred to as “Original Agreement”; and

WHEREAS, City and Chrisp Company have determined it is in their mutual interest to amend certain terms of the Original Agreement.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES AGREE AS FOLLOWS:

1. Article 1 (Term of Agreement) of the Original Agreement shall be amended to read as follows:

This Agreement will become effective on 11/16/2020 and will continue in effect through 6/30/2027 unless terminated in accordance with the provision of Article 7 of the original agreement.

Any lapse in insurance coverage as required by Article 5, Section D of this agreement shall terminate this Agreement regardless of any other provision stated herein.

2. Article 4 (Compensation) of the Original Agreement shall be amended to read as follows:

In consideration for the services to be performed by CONTRACTOR, CITY agrees to pay CONTRACTOR the amounts set forth in **Exhibit “D”** (“Payment Schedule”). In no event however shall the total compensation paid to CONTRACTOR exceed \$785,493.68.

3. The unit prices shown in the Payment Schedule of the Original Agreement shall be replaced with the updated Payment Schedule in Attachment A.

4. This Amendment shall be effective on July 27, 2026.

5. Except as expressly modified herein, all of the provisions of the Original Agreement shall remain in full force and effect. In the case of any inconsistencies between the Original Agreement and this Amendment, the terms of this Amendment shall control.

5. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the dates set forth besides their signatures below.

CITY OF GILROY

By:

[signature]
Matt Morley
[employee name]
City Administrator
[title/department]

Date: _____

CHRISP COMPANY

By:

[signature]
Mark Chrisp
[name]
Executive Vice President
[title]

Date: _____

Approved as to Form

City Attorney

ATTEST:

City Clerk



City of Gilroy

STAFF REPORT

Agenda Item Title: Reduced Prima Facie Speed Limits on Specific Designated Streets Approaching School Zones to 25 Miles Per Hour

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Public Works
 Submitted by: Nisha Patel, City Engineer
 Prepared by: Nisha Patel, City Engineer

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

Adopt a Resolution Determining and Declaring Prima Facie Speed Limits on Specific Designated Streets Approaching School Zones to 25 mph.

EXECUTIVE SUMMARY

Assembly Bill 382 was adopted by the California Legislature and signed into law by Governor Newsom in late 2025 and became effective on January 1, 2026. AB 382 provides the City Council the opportunity to reduce speed limits in school zones from 25 miles per hour (mph) to 15 or 20 miles per hour and to 25 mph approaching school zones in advance of a January 1, 2031 mandate.

On May 18, 2026, the City Council approved an ordinance amending the City municipal code allowing to reduce prima facie speed limits in school zones from 25 mph to 15 mph or 20 mph per the assembly bill. The City's consultant traffic engineer performed a traffic study for the fourteen public school sites and the two major private school sites. They determined the speed limits for many street segments can be reduced to 15 mph or 20 mph.

On June 15, 2026, the City Council approved a resolution approving the lowering speed limits in school zones on selected street segments. Staff did not include lowering of speeds approaching school zones at that time due to the need for additional study and

analysis. Staff is now seeking City Council approval of the lowering of speeds approaching school zones by establishing prima facie speed limits of 25 mph in those areas. In some areas (notably Santa Teresa Boulevard), the speed limit is otherwise transitioning relatively abruptly from 45 mph to 25 mph

BACKGROUND

Until recently, California law established a prima facie speed limit of 25 miles per hour (mph) when approaching or passing a school building or school grounds that are contiguous to or not separated from a highway (AKA street or roadway). The City was permitted to reduce this limit only when supported by an engineering and traffic survey.

Assembly Bill (AB) 382, signed into law on October 10, 2025, and effective as of January 1, 2026, significantly revises these rules. The bill authorizes local agencies, by ordinance or resolution, to establish reduced school zone speed limits without requiring an engineering and traffic survey. AB 382 standardizes and lowers the default statewide school-zone speed limit (to 20 mph), expands flexibility for localities (15 mph or 25 mph buffer zones), and clarifies “school zone” boundaries and “children present” rules – simplifying and strengthening pedestrian safety protections around schools.

School area speed limits formerly applied to roadways “when approaching or passing a school building or the grounds thereof, contiguous to a highway and posted with a standard “SCHOOL” warning sign” and has been simplified by AB382. A “school zone” is now defined as any area within 500 feet of school grounds in any direction, unless otherwise posted. An approach to a school zone is a distance of 500 to 1,000 feet from a school zone.

On May 18, 2026, the City Council approved an ordinance amending the City's municipal code to allow the setting of prima facie speed limits in school zones from 25 mph to 15 mph or 20 mph, per the Assembly Bill.

On June 15, 2026, the City Council approved a resolution lowering speeds in school zones to 15 mph or 20 mph on selected street segments. The lowering of speeds approaching school zones was not included.

ANALYSIS

Assembly Bill 382 amended section 22358.4 of the California Vehicle Code as of January 1, 2026, to allow local governments to establish a 25 mph prima facie limit on a highway when approaching, at a distance of 500 to 1,000 feet from, a school zone.

The City's consultant Traffic Engineer has identified 14 street segments that qualify for the 25-mph prima facie speed limit approaching school zones under section 22358.4 of the California Vehicle Code.

The final recommended street segments and speed limits are included in the Resolution attached to this report. The segments are grouped by the applicable school zone. The list of segments can be amended or added to by resolution of the City Council as may be necessary in the future. Staff plans to prioritize the implementation of the signs with focus on locations involving arterial roadways and major collectors where there is the most significant speed transitions.

ALTERNATIVES

The City Council could choose not to approve the resolution determining and declaring prima facie speed limits of 25 mph approaching school zones on specific designated streets. This alternative is not recommended, as the community has actively sought, and the City Council previously committed to implementing improvements which are likely to result in reduction of accidents near schools involving pedestrian, bicyclist, and motorist.

FISCAL IMPACT/FUNDING SOURCE

On April 20, 2026, the City Council approved to amend the budget of the Citywide Safety Improvements Project (No. 801120) to provide for additional funding for the installation or replacement of signs for lowering of speed limits around schools. However, there are adequate funds in the account for CIP Project 800330 (Pavement Markings) to pay for the installation of new signage to lower speeds in and approaching school zones.

PUBLIC OUTREACH

The City has initiated a public information campaign to let community members know of the proposal to reduce speed limits near school sites. Staff has conveyed the information to Gilroy Unified School District (GUSD) staff as well.

NEXT STEPS

If Council adopts the resolution establishing reduced prima facie speed limits approaching school zones, the City will work with our on-call traffic signage and striping contractor, Chrisp, to have the new signage installed prior to the first day of the upcoming GUSD school year, August 19th. The City Streets crew may supplement the work of Chrisp to help the deadline to be met.

Attachments:

1. Resolution

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY ESTABLISHING REDUCED PRIMA FACIE SPEED LIMITS APPROACHING SCHOOL ZONES PURSUANT TO VEHICLE CODE SECTIONS 22358.4 AND SECTION 22352.2

WHEREAS, Assembly Bill (AB) 382, signed into law on October 10, 2025, and effective as of January 1, 2026 authorizes local agencies, by ordinance or resolution, to establish reduced school zone speed limits without requiring an engineering and traffic survey, and

WHEREAS, Assembly Bill 382 standardizes and lowers the default statewide school-zone speed limit (to 20 mph), expands flexibility for localities (15 mph or 25 mph buffer zones), and clarifies “school zone” boundaries and “children present” rules – simplifying and strengthening pedestrian safety protections around schools; and

WHEREAS, Assembly Bill 382 amended section 22358.4 of the California Vehicle Code as of January 1, 2026, to allow local governments to establish a 15 miles per hour (mph) prima facie speed limit by local resolution in: qualifying school zones in a residence district; on a two-lane roadway; and with a posted speed limit of 30 mph or slower; and

WHEREAS, Assembly Bill 382 also amended section 22352.5 of the California Vehicle Code as of January 1, 2026, to allow local governments to reduce speed limits in school zones to 20 miles per hour (mph), where “school zone” is defined as any segment of highway within 500 feet of a school’s grounds (unless otherwise posted); and

WHEREAS, effective January 1, 2031, or when approved by resolution or ordinance by a local government before that date, the standard prima facie speed limit of 25 mph when school children are present, should now be posted at 20 mph when accompanied by one of the following signs: (1) when school children are present, (2) when beacons are flashing, or (3) during designated hours around school times; and

WHEREAS, Section 15.11 of the Gilroy City Code describes City Council procedures for establishing speed limits on City streets. Notably, except as provided specifically by the California Vehicle Code, speed limits can only be changed by Council resolution based upon an engineering and traffic analysis; and

WHEREAS, on May 18, 2026, the City Council adopted an Ordinance amending Section 15.11 of the Gilroy City Code to include vehicle code section 22358 et. seq.; and

WHEREAS, on June 15, 2026, the City Council adopted a resolution establishing lower prima facie speed limits of 15 mph and 20 mph on specific designated streets; and

WHEREAS, the Ordinance amendment also allows the City Council to set lower speed limits of 25 mph approaching at a distance of 500 to 1,000 feet from, a school zone, under Assembly Bill 382 by Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Gilroy hereby adopt lower Prima Facie speed limits as follows:

1. Christopher High School Site

- a. Santa Theresa Boulevard (500' north of Day Road to Day Road) – Speed Limit 25 mph
- b. Santa Theresa Boulevard (Day Road East to 500' south of Day Road East – Speed Limit 25 mph
- c. Day Road (500' west of Puma Way to Puma Way) – Speed Limit 25 mph

2. Gilroy High School Site

- a. West 10th Street (Glenview Drive to 500' west of Glenview Drive) – Speed Limit 25 mph
- b. Uvas Parkway (500' north of West 10th Street to West 10th Street) – Speed Limit 25 mph

3. Mount Madonna Continuation High School/ Antonio del Buono Preschool Site

- a. Wren Avenue (Cohansey Avenue to 120' north of Vickery Lane) – Speed Limit 25 mph
- b. Wren Avenue (400' south of Farrell Avenue to Tatum Avenue) – Speed Limit 25 mph
- c. Farrell Avenue (200' east of Church Street to 200' east of Severance Street) - Speed Limit 20 mph
- d. Church Street (Chickadee Lane to 200' north of Trimble Court) – Speed Limit 25 mph
- e. Church Street (Bennett Street to West Las Animas Avenue) – Speed Limit 25 mph

4. Brownell Middle School Site

- a. Hanna Street (El Cerrito Way to Broadway) – Speed Limit 25 mph
- b. Hanna Street (400' south of 3rd Street to 200' south of 4th Street) – Speed Limit 25 mph

- c. 3rd Street (Rea Street to Princevalle Street) – Speed Limit 25 mph
 - d. 3rd Street (Rosanna Street to Church Street) – Speed Limit 25 mph
- 5. South Valley Middle School/ Gilroy Prep School Site
 - a. Murray Avenue (1000’ north of Adams Court to 500’ north of Adams Court) – Speed Limit 25 mph
 - b. Murray Avenue (450’ south of IOOF Avenue to 950’ south of IOOF Avenue) – Speed Limit 25 mph
 - c. Forest Street (Walnut Lane to Fortunata Place) – Speed Limit 25 mph
- 6. Eliot Elementary School Site
 - a. Chestnut Street (200’ north of East 6th Street to 500’ north of East 7th Street) - Speed Limit 25 mph
 - b. Chestnut Street (500’ south of Old Gilroy Street to East 9th Street) – Speed Limit 25 mph
- 7. El Roble Elementary School Site
 - a. Third Street (100’ west of Santa Paula Drive to 400’ west of Wren Avenue) – Speed Limit 25 mph
 - b. Third Street (Filice Drive to 200’ east of Miller Avenue) – Speed Limit 25 mph
 - c. Wren Avenue (Montebello Drive to 400’ north of 3rd Street) – Speed Limit 25 mph
 - d. Wren Avenue (Byers Street to Clark Way) - Speed Limit 25 mph
- 8. Glen View Elementary School Site
 - a. Princevalle (200’ north of West 7th Street to Lexington Place) – Speed Limit 25 mph
- 9. Las Animas Elementary School Site
 - a. Luchessa Avenue (200’ west of Godani Street to 400’ west of Cimino Street) – Speed Limit 25 mph

- b. Luchessa Avenue (400' east of Greenfield Drive to Village Place) – Speed Limit 25 mph

10. Rod Kelly Elementary School/ Gilroy Adult Education Center Site

- a. Kern Avenue (Creekside Court to Mantelli Drive) – Speed Limit 25 mph
- b. Kern Avenue (Birch Place to Welburn Avenue) – Speed Limit 25 mph

11. Pacific Point Christian Elementary School (Private)

- a. Mantelli Drive (Leanard Way to 400' west of Calle del Rey) – Speed Limit 25 mph
- b. Mantelli Drive (300' east of Cally del Rey to Lions Creek Drive) – Speed Limit 25 mph

12. Saint Mary School (Private)

- a. Church Street (500' north of Howson Street to Howson Street) – Speed Limit 25 mph
- b. Church Street (400' south of First Street to 300' south of 2nd Street) – Speed Limit 25 mph
- c. Monterey Street (500' north of Howson Street to Howson Street) – Speed Limit 25 mph (subject to approval by Caltrans)
- d. Monterey Street (400' south of First Street to IOOF Avenue) – Speed Limit 25 mph

NOW, THEREFORE, BE IT RESOLVED that the City Council Hereby establishes reduced prima facie speed limits approaching school zones pursuant to vehicle code sections 22358.4 and 22352.2.

PASSED AND ADOPTED this 27th day of July 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **KIM MANCERA**, City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2026-XX** is an original resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said Council held on **Monday, Date**, with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **Tuesday, XXXXX**

Kim Mancera
City Clerk of the City of Gilroy





City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of Policy on Public Comment and Meeting Decorum During City Council Meetings

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Administration
 Submitted by: Kim Mancera, City Clerk
 Prepared by: Kim Mancera, City Clerk

STRATEGIC PLAN GOALS:

RECOMMENDATION

Adopt a City Council Policy on Public Comment and Meeting Decorum during City Council meetings.

EXECUTIVE SUMMARY

The purpose of this policy is to establish clear procedures and expectations for public comment and decorum at Gilroy City Council meetings. The City Council recognizes the importance of public participation in local government and is committed to providing members of the public with a meaningful opportunity to address the Council in accordance with the Ralph M. Brown Act. This Policy establishes procedures governing public comment and standards of decorum intended to promote respectful participation, protect the rights of all attendees, and ensure the orderly and efficient conduct of City Council meetings.

BACKGROUND

Senate Bill 707 (2025) amended the Brown Act to require public participation via two-way telephonic service and/or two-way audiovisual platform effective July 1, 2026. On March 2, 2026, the Gilroy City Council adopted a policy on Disruptions of Telephonic or Internet Service During Public Meetings. The City of Gilroy has implemented Zoom as

the City's designated platform for remote public participation. Zoom provides both means, two-way telephonic and audiovisual. This policy is to ensure that public comments during Gilroy City Council meetings are conducted in an orderly, respectful, and productive manner.

ANALYSIS

The proposed Public Comment and Meeting Decorum Policy establishes procedures consistent with state law and incorporates best practices commonly used by public agencies. Key components include:

- Clear rules for when public comment may be provided.
- Speaker time limits, typically three minutes, with flexibility for adjustment by the Mayor.
- Requirements for speaker conduct, including directing comments to the full Council and avoiding personal attacks or disruptive behavior.
- Meeting decorum standards for all attendees, including prohibitions on disruptive actions, intimidation, and noise.
- Enforcement authority for the Mayor or presiding officer to maintain order, including warnings, removal of individuals, and brief recesses when necessary.
- Commitment to ADA accessibility and reasonable accommodations for public participation.
- Confirmation that meetings are recorded and broadcast publicly.

The policy is intended to provide clear expectations that support an inclusive and respectful environment while allowing the Council to manage meetings effectively.

ALTERNATIVES

None.

FISCAL IMPACT/FUNDING SOURCE

None.

PUBLIC OUTREACH

This item has been properly noticed on the City Council agenda in accordance with applicable open meeting requirements. Adoption of the policy occurs during a public meeting, providing members of the public an opportunity to review and comment on the proposed policy.

NEXT STEPS

Upon City Council adoption, staff will implement the policy for all City Council meetings. The policy will be incorporated into the City's administrative procedures and shared with relevant staff responsible for meeting management and technology support. Staff will also monitor implementation and update procedures as needed to ensure continued compliance with state law and best practices through the duration of Senate Bill 707.

Attachments:

1. City Council Policy on Public Comment and Meeting Decorum

City of Gilroy

City Council Policy on Public Comment and Meeting Decorum



Adopted: July 27, 2026

1. Background

Senate Bill 707 (2025) amended the Brown Act to require public participation via two-way telephonic service and/or two-way audiovisual platform effective July 1, 2026. On March 2, 2026, the Gilroy City Council adopted a policy on Disruptions of Telephonic or Internet Service During Public Meetings. The City of Gilroy has implemented Zoom as the City's designated platform for remote public participation. Zoom provides both means, two-way telephonic and audiovisual. This policy is adopted to ensure that public comments during Gilroy City Council meetings are conducted in an orderly, respectful, and productive manner.

2. Purpose

The purpose of this policy is to establish clear procedures and expectations for public comment and decorum at Gilroy City Council meetings. The City Council recognizes the importance of public participation in local government and is committed to providing members of the public with a meaningful opportunity to address the Council in accordance with the Ralph M. Brown Act. This Policy establishes procedures governing public comment and standards of decorum intended to promote respectful participation, protect the rights of all attendees, and ensure the orderly and efficient conduct of City Council meetings.

3. Public Participation

3.1 The City Council welcomes and encourages public participation during meetings.

3.2 Members of the public may address the City Council during:

- (a) Public comment periods for individual agenda items; and
- (b) The general public comment period for non-agendized items within the jurisdiction of the City of Gilroy.

3.3 Individuals wishing to speak in person shall complete a speaker card and follow any instructions provided by the City Clerk's Office to facilitate orderly participation.

3.4 Individuals wishing to speak virtually shall raise their virtual hand during the item that they would like to speak on.

3.5 When participating in the meeting via two-way telephonic means, dial #9 to raise your virtual hand.

3.6 Public comment will be heard first from those attending in person, with the submission of a speaker card. Once that is complete, City Clerk will move to those on Zoom who have their virtual hand raised. Following public comments from Zoom, City Clerk will close the public comment period for that item.

3.7 Once the third speaker has provided comment on an item, there will be no further

speaker cards or virtual raised hands taken for that item.

4. Time Limits

- 4.1 Speakers will generally be allotted up to three minutes to comment.
- 4.2 The Mayor may adjust time limits when necessary to ensure the efficient conduct of the meeting, accommodate a large number of speakers, or address time constraints.
- 4.3 Speakers may not transfer or combine their allotted time with another individual.

5. Speaker Conduct

- 5.1 Comments shall be directed to the City Council as a whole, not to individual Council Members, staff, or members of the public.
- 5.2 Speakers must limit their remarks to matters relevant to the agenda item being discussed. General public comment must relate to matters within the jurisdiction of the City of Gilroy.
- 5.3 Speakers shall not engage in conduct that actually disrupts the orderly conduct of the meeting, including refusing to yield the podium after expiration of allotted time, physically interfering with the meeting, threatening violence, or otherwise preventing the Council from conducting business.

6. Meeting Decorum

- 6.1 All persons attending a City Council meeting, in person or via remote participation, must conduct themselves in a respectful manner.
- 6.2 Members of the audience shall refrain from behavior that disrupts the meeting, including applause, booing, chanting, shouting, or other demonstrations that materially interfere with the ability of the Council to conduct its business.
- 6.3 Visual displays such as signs may be permitted, provided they do not block the view of others or interfere with the meeting.
- 6.4 Demonstrations or noise (chanting, clapping, shouting, or loud collective responses) that disrupt the meeting are prohibited in the Council Chamber.
- 6.5 The Mayor or presiding officer may call any person to order who violates this policy.

7. Enforcement of Decorum

- 7.1 The Mayor or presiding officer has the authority to:
- (a) Issue verbal warnings;
 - (b) Request that a speaker conclude their remarks;
 - (c) Order removal of individuals who continue disruptive behavior;
 - (d) Direct a recess to restore order;
 - (e) In the event that the meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of the meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the mayor may order the meeting room cleared and the meeting may continue in session, in accordance with Government Code Section 54957.9. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend.
- 7.2 Before directing the removal of any individual, the Mayor should provide a warning unless the conduct presents an immediate threat to public safety or substantially disrupts the meeting.
- 7.3 Removal shall be based upon disruptive conduct rather than the viewpoint expressed.
- 7.4 The Gilroy Police Department may assist in enforcing decorum and removing individuals when necessary.
- 7.5 Individuals removed for disruptive behavior may be excluded for the remainder of the meeting, consistent with applicable law.

8. Accessibility and Accommodations

- 8.1 The City of Gilroy is committed to ensuring equal access to public meetings.
- 8.2 Reasonable accommodations will be provided upon request for individuals with disabilities, in accordance with the Americans with Disabilities Act

9. Meeting Recording

- 9.1 City Council meetings are recorded and may be broadcast publicly.
- 9.2 Speakers and attendees should be aware that their comments and behavior become part of the public record.
- 9.3 Written materials submitted to the City Council during a meeting may become public records subject to disclosure under the California Public Records Act.

10. Authority

This Policy is adopted pursuant to the Ralph M. Brown Act (Government Code sections 54950 et seq.), applicable provisions of the California Constitution, and the City's authority to regulate the orderly conduct of public meetings.

11. Applicability

This policy applies to all open and public meetings of the City Council under the Brown Act.

12. Review and Updates

This policy may be amended by the City Council at a noticed public meeting in open session.

DRAFT



City of Gilroy

STAFF REPORT

Agenda Item Title: Award a Three-Year Contract to Advanced Integration & Controls (AIC), with the Option to Extend for Two Additional One-Year Periods, for a Total Contract Amount of \$450,000 for Water and Wastewater SCADA Controls System Integration and Support Request Services

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Public Utilities
 Submitted by: Tyson Enzweiler, Utilities Operations Manager
 Prepared by: Tyson Enzweiler, Utilities Operations Manager

STRATEGIC PLAN GOALS: Maintain and Improve City Infrastructure

RECOMMENDATION

1. Award a three-year contract to Advanced Integration & Controls (AIC) for a total amount not to exceed \$450,000 with the option to extend two additional one-year terms for water and wastewater SCADA controls system integration and support request services;
2. Authorize the City Administrator to execute the contract and all associated documents; and
3. Authorize the City Administrator to execute up to two subsequent one-year contract amendments, subject to review and recommendation by the Utilities Director.

EXECUTIVE SUMMARY

SCADA is the City's primary control system for monitoring and managing water production, storage levels, distribution pressures, pumping operations, and wastewater collection. In a period when cybersecurity risks and threats are increasing, maintaining a

secure, reliable, and resilient SCADA system is essential to protecting critical infrastructure and ensuring uninterrupted utility operations.

The Utilities Department recommends entering a three-year services contract with Advanced Integration & Controls (AIC) to provide Supervisory Control and Data Acquisition (SCADA) system supporting water and wastewater collection system operations. The total contract amount is \$450,000 with two optional one-year extensions.

BACKGROUND

The current contract with Mission Controls Co. officially expired on June 30, 2026, which necessitated initiating a new Request for Proposal to secure continued services.

ANALYSIS

The City issued Request for Proposals No. 26-RFP-UT-539 in May 2026 and received five proposals on June 11, 2026 from the following firms: Telstar Instruments (Telstar), Industrial Control Systems Online Inc. (ICS), ACT Solutions, Advanced Integration & Controls (AIC), and Schrader Mechanical Inc. (SMI).

A scoring committee reviewed and ranked all submissions (see attached Exhibit A) based on the evaluation criteria outlined in the RFP. After assessing each proposal's technical approach, project understanding, qualifications, experience on comparable projects, staffing capacity, and overall cost-effectiveness, AIC was identified as the most qualified proposer. Their methodology demonstrated a clear, comprehensive understanding of the City's operational needs and included a well-defined plan for conducting a full conditions assessment of the City's existing control systems.

This assessment will form the foundation of a three-year implementation strategy focused on modernizing and upgrading the City's telemetry, instrumentation, and control infrastructure. The strategy includes prioritizing system deficiencies, sequencing improvements, and integrating updated technologies to enhance reliability, operational efficiency, and long-term resiliency. AIC's proposed approach provides the City with a structured path forward—from assessment through phased implementation—to ensure that upgrades are completed systematically and in alignment with operational and budgetary goals.

ALTERNATIVES

The alternative is to not award the contract. Staff does not recommend this option since the City does not have the internal resources to perform this work and it would (vulnerability) delay the project.

Currently, the Utilities Department does not have personnel with the specialized training, certifications, or experience necessary to perform SCADA system integration, programming, troubleshooting, or maintenance at the level required to support the City's critical infrastructure. The City's SCADA system is the primary platform used to monitor and control water production, distribution pressures, storage levels, pumping operations, and wastewater collection. These functions are essential to maintaining safe and reliable water service.

Without qualified professional SCADA support, the City would face significant operational risk, including delayed detection of system faults, unplanned outages, and reduced ability to respond effectively to emergencies. Any of these conditions could compromise the City's ability to provide continuous potable water service to residents and businesses. For these reasons, performing SCADA work in-house is not a feasible alternative.

FISCAL IMPACT/FUNDING SOURCE

The proposed agreement with Advanced Integration & Controls (AIC) is for a total contract amount of \$450,000 to allow for comprehensive project planning, efficient scheduling, and effective execution of the multi-year SCADA assessment and implementation strategy.

While the FY27 adopted budget included limited funding of \$49,500 in the Water Fund (Fund 705) for SCADA-related work, this allocation did not anticipate a full systemwide conditions assessment or the development of a three-year modernization plan. In addition, the Wastewater Fund (Fund 700) will contribute \$30,000 from the FY27 adopted appropriations. This contribution is due to the Gavilan Lift Station—previously operated and maintained under contract with Jacobs Solutions—relies heavily on SCADA functionality for monitoring, control, and emergency response. As the City has transitioned those responsibilities in-house, the need for reliable, upgraded SCADA systems directly affects wastewater operations, making the Wastewater Fund's participation appropriate and necessary.

To fully fund the project, staff recommends increasing FY27 appropriations in the Water Fund (Fund 705) by the remaining \$370,500. Partial funding for this effort was already included in the FY27 budget under Fund 705 (Water), Utilities Water Operations (Org 7058020), but additional resources are required to support the full scope of the conditions assessment and subsequent phased upgrades.

PUBLIC OUTREACH

NEXT STEPS

If approved by Council, the agreement will be executed, and staff will work with the contractor to develop a schedule to begin activities in August 2026.

Attachments:

1. Resolution_SCADA
2. Final_Summary Rating RFP 26-RFP-UT-539
3. Gilroy - SCADA Integration Services 2026
4. City of Gilroy PowerPoint - SCADA RFP

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY TO APPROVE A BUDGET AMENDMENT FOR AWARDED A CONTRACT TO ADVANCED INTEGRATION & CONTROLS (AIC), WITH THE POSSIBILITY TO EXTEND FOR TWO ADDITIONAL ONE-YEAR TERMS, FOR A TOTAL CONTRACT AMOUNT OF \$450,000 FOR WATER AND WASTEWATER SCADA CONTROLS SYSTEM INTEGRATION AND SUPPORT REQUEST SERVICES

WHEREAS, the City Administrator prepared and submitted to the City Council a budget for the City of Gilroy for Fiscal Years 2025-2026 and 2026-2027, and the City Council carefully examined, considered and adopted the same on June 2, 2025; and

WHEREAS, City Staff has prepared and submitted to the City Council a proposed amendment to said budget for Fiscal Year 2026-2027 for the City of Gilroy in the staff report dated July 27, 2026 ; and

WHEREAS, on May 18, 2026, the City issued Request for Proposals No. 26-RFP-UT-539, and five proposals were received from Telstar Instruments (Telstar), Industrial Control Systems Online Inc. (ICS), ACT Solutions, Advanced Integration & Controls (AIC), Schrader Mechanical Inc. (SMI); and

WHEREAS, Advanced Integration & Controls (AIC) was determined to be the most qualified due to their understanding and approach to the project, proposed scope of services, qualifications, experience with similar projects, capacity to provide qualified personnel, and project cost-effectiveness in the amount of \$450,000; and

WHEREAS, there are not sufficient funds appropriated in the project account to fully fund the remaining needed amount of \$370,500; and

WHEREAS, sufficient funds are available within Water Fund (Fund 705) to provide the necessary additional appropriations for the project; and

NOW, THEREFORE, BE IT RESOLVED the appropriations for Fiscal Year 2026-2027 for the Water Fund (Fund 705) to award a three-year contract to Advanced Integration & Controls (AIC) with the possibility to extend for two additional one-year terms for Water and Wastewater SCADA Controls System Integration and Support Request Services shall be increased by \$370,500.

PASSED AND ADOPTED this 27th day of July 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

CERTIFICATE OF THE CLERK

I, **KIM MANCERA**, City Clerk of the City of Gilroy, do hereby certify that the attached **Resolution No. 2026-XX** is an original resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Gilroy at a Regular Meeting of said Council held on **Monday, Date**, with a quorum present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this **Tuesday, XXXXX**

Kim Mancera
City Clerk of the City of Gilroy



Exhibit A

WATER AND WASTEWATER SCADA CONTROLS SYSTEM INTEGRATION AND SUPPORT RFP No. 26-RFP-UT-539

Selection Criteria (Total Possible Points - 100)

Date:		AVERAGE SCORE				
Criteria	Maximum Points	Telstar	Advanced Intergration & Controls	Schrader Mechanical Inc.	Industrial Control Systems Online Inc.	ACET Solutions
Fee Structure (0-15 pts)	15	14	15	6	12	13
Include a work plan of staff distribution.						
Capability (0-25 pts)	25	22	24	10	24	19
Quality, feasibility, and innovation of the proposed solution. Project management and scheduling robustness.						
Expertise and Qualifications (0-20 pts)	20	18	20	8	19	17
Provide resumés listing qualifications and past experience. Key staff person(s) participating in the contractor facility visit and/or contract finalist interview. Key staff members typically include a combination of, but not limited to SCADA Engineers, SCADA Technicians, Network/IT Specialists, and/or Electricians/Installers.						
Proximity of contract resources to contract sites (0-10 pts)	10	8	9	7	10	6
Provide a comprehensive description of the resources, plan and methodology that will be used to provide resource for the different elements of the requested on-call and emergency repair services.						
Project Approach and Team (0-20 pts)	20	18	20	9	18	18
Identify the key contract team leader(s) who will direct all on-site contract services and who will interface routinely with the designated City staff. Provide a minimum of one-page résumé listing qualifications and past experience. Key staff person(s) shall participate in the contractor facility visit and/or contract finalist interview. Key staff members typically include a combination of, but not limited to SCADA Engineers, SCADA Technicians, IT Specialists, and/or Electricians/Installers.						
References (0-10 pts)	10	10	10	8	10	6
Provide three references (name, address and phone number) for the project team for recent similar work that the City may contact and inquire about your work.						
Total Point Score - 100						
Total	100	90	98	48	93	79

NOTES:

AGREEMENT FOR SERVICES

[Professional Services]

This Agreement for Services (the “Agreement”) is entered into as of August 3, 2026 (the “Effective Date”), by and between the City of Gilroy (“CITY”), a municipal corporation duly organized and existing under the laws of the State of California, and Advanced Integration & Controls (AIC) (“CONTRACTOR”).

ARTICLE 1. TERM OF AGREEMENT

The term of this Agreement shall commence on the Effective Date and continue in effect through July 31, 2029 with an extension of two years at City's sole option to be exercised by written notice to be given by City not less than thirty (30) days nor more than sixty (60) days prior to July 31, 2029 (“End Date”), unless sooner terminated in accordance with the provisions of **Article 8**. Should no Effective Date be specified above, then the Effective Date of this Agreement shall be the date this Agreement is executed by the authorized CITY representative. The term of this Agreement may be extended by amendment in accordance with **Article 9.A**. It is intended that termination of this Agreement be contemporaneous with the final acceptance of all services described in **Exhibit B** by the Gilroy City Administrator or designee.

ARTICLE 2. INDEPENDENT CONTRACTOR STATUS

Both parties understand and agree that CONTRACTOR, and any person working for or under the direction of CONTRACTOR, is an independent contractor and not an employee, agent, joint venturer, or partner of CITY. Nothing in this Agreement shall be construed as creating an employer-employee relationship between CITY and CONTRACTOR or any employee or agent of CONTRACTOR. CONTRACTOR is not an employee for state or federal tax purposes. CONTRACTOR shall not be entitled to any of the rights or benefits afforded to CITY’s employees, including, without limitation, disability or unemployment insurance, workers’ compensation, medical insurance, sick leave, retirement benefits, or any other employment benefits. CONTRACTOR retains the right to perform services for others during the term of this Agreement.

ARTICLE 3. SERVICES TO BE PERFORMED BY CONTRACTOR

A. Specific Services

CONTRACTOR shall perform the services (the “Services”) in accordance with **Exhibit A** (“Specific Provisions”) and as outlined in **Exhibit B** (“Scope of Services”) within the time periods described in **Exhibit C** (“Milestone Schedule”) in accordance with the requirements of this Agreement.

B. Method of Performing Services

CONTRACTOR will determine the method, details, and means of performing the above-described Services. CITY has no right to control the manner or determine the method of accomplishing CONTRACTOR’s Services. CONTRACTOR will supply all tools and instrumentalities required

to perform the Services under this Agreement at its sole cost and expense. CONTRACTOR is not required to purchase or rent any tools, equipment or services from CITY.

C. Employment of Workers

CONTRACTOR may, at the CONTRACTOR's own expense, employ such workers as CONTRACTOR deems necessary to perform the Services required of CONTRACTOR by this Agreement, subject to the limitations on assignment and subcontracting contained in **Article 5.E**, below. CITY may not control, direct, or supervise CONTRACTOR's workers in the performance of those Services. CONTRACTOR assumes full and sole responsibility for the payment of all compensation and expenses of these workers and for all State and Federal income tax, unemployment insurance, Social Security, disability insurance, and other applicable withholding. As an independent contractor, CONTRACTOR shall indemnify, defend, and hold CITY, its officers, officials, representatives, agents, employees, and volunteers harmless, pursuant to **Article 5.D** from and against any and all third-party claims arising from allegations that an employee-employer relationship exists between CITY and an employee or subcontractor of CONTRACTOR or of any of its subcontractors.

ARTICLE 4. COMPENSATION

A. Consideration

In consideration for the Services to be performed by CONTRACTOR, CITY shall pay CONTRACTOR the amounts set forth in **Exhibit D** ("Payment Schedule"). Such compensation shall be without right to any additional compensation of any kind or type whatsoever, including, without limitation, in quantum meruit. CONTRACTOR shall not be compensated for, and CITY shall not be obligated to pay for, any Services performed by CONTRACTOR without prior, written authorization from CITY, that exceed the total compensation amount provided herein. In the event of a conflict between the amount set forth in this **Article 4.A** and **Exhibit D** regarding the amount of compensation, this **Article 4.A** shall prevail. In no event shall the total compensation paid to CONTRACTOR for the complete and satisfactory performance of the Services in accordance with this Agreement exceed \$450,000.

B. Invoices

CONTRACTOR shall submit invoices for all services rendered. CONTRACTOR shall invoice CITY no more than once every thirty (30) days.

C. Payment

Payment will be due according to the payment schedule set forth in **Exhibit D**. No payment will be made unless CONTRACTOR has first provided CITY with a written invoice describing the work performed and any approved direct expenses (as provided for in **Exhibit A, Section III**) incurred during the preceding period. CITY shall have no obligation to pay for any work or direct

expenses not invoiced within ninety (90) days of the date such work was performed or such expenses were incurred. Expenses shall not be invoiced until incurred.

If CITY objects to all or any portion of any invoice, CITY will notify CONTRACTOR of the objection within thirty (30) days from receipt of the invoice, give reasons for the objection, and pay that portion of the invoice not in dispute. It shall not constitute a breach of this Agreement for CITY not to pay any invoiced amounts to which it has objected prior to resolution of the objection by mutual agreement of both parties hereto.

D. Costs and Expenses Incident to Performance

CONTRACTOR shall be responsible for all costs and expenses incident to the performance of Services for CITY, including, without limitation, all costs of equipment used or provided by CONTRACTOR, all fees, fines, licenses, bonds, or taxes required of or imposed against CONTRACTOR and all other of CONTRACTOR's costs of doing business. CITY shall not be responsible for any expenses incurred by CONTRACTOR in performing Services for CITY, except for those expenses constituting approved "direct expenses" referenced in **Exhibit A, Section III**.

ARTICLE 5. OBLIGATIONS OF CONTRACTOR

A. Compliance with Laws

CONTRACTOR shall comply with all applicable Federal, State, and local laws and regulations in fulfilling CONTRACTOR's obligations under this Agreement.

Without limiting the generality of the foregoing, CONTRACTOR shall comply with the provisions of California Labor Code Section 1735, and California Government Code Section 12940, obligating every worker and/or subcontractor under a contract or subcontract to CITY for public works or for goods or services to refrain from discriminatory employment or subcontracting practices on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of any employee, applicant for employment, or any potential subcontractor.

Pursuant to Gilroy City Code Section 1.15, construction, alteration, demolition, repair and maintenance work performed under certain public works contracts is subject to all State laws regarding payment of prevailing wages, including, without limitation, Labor Code Section 1770 et seq. ("State Prevailing Wage Laws"). For construction work that cumulatively exceeds \$25,000 and for alteration, demolition, repair and maintenance work that cumulatively exceeds \$15,000, CONTRACTOR and its subcontractors must comply with State Prevailing Wage Laws.

☐ _____ (initial) If the box to the left of this sentence is checked and the line beside it initialed by CITY, CONTRACTOR and its subcontractors must comply with State Prevailing Wage Laws and the provisions set forth in Section G of Exhibit A apply.

INDEMNIFICATION: CONTRACTOR acknowledges and agrees that regardless of whether or not the box above is checked and the line initialed, it is ultimately the responsibility of the CONTRACTOR and all subcontractors to determine for themselves whether any Services provided under this Agreement must comply with State Prevailing Wage Laws. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify, and hold harmless, through counsel approved by CITY (which approval will not be unreasonably withheld), CITY, its officers, officials, representatives, agents, employees, and volunteers, against any and all suits, damages, costs, fees, claims, demands, causes of action, losses, liabilities, and expenses, including attorneys' fees, that arise out of, pertain to, or relate to any determination made by CITY, its officers, officials, representatives, agents, employees, and volunteers, whether explicitly or implicitly through any number of actions or representations, related to any classification that a project constitutes a public works project which must comport with State Prevailing Wage Laws.

B. Professional Standard of Care

CONTRACTOR shall perform all Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the County of Santa Clara and the State of California.

CONTRACTOR shall be responsible for the professional quality, technical accuracy, and the coordination of the Services furnished by it under this Agreement. CONTRACTOR will not be responsible for the accuracy of any project or technical information provided by the CITY. The CITY's review, acceptance or payment for any of the Services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and CONTRACTOR shall be and remain liable to CITY in accordance with applicable law for all damages to CITY caused by CONTRACTOR's negligent performance of any of the Services furnished under this Agreement.

C. Insurance

CONTRACTOR shall procure and maintain insurance as described in **Exhibit E** for the duration of this Agreement (and any additional time as may be required in **Exhibit E** for particular coverage).

D. Indemnification of Liability, Duty to Defend

CONTRACTOR's indemnification and defense obligations, as provided herein, are in addition to, and are not limited by, the indemnification provision detailed in **Article 5.A** related to the State Prevailing Wage Laws and the insurance obligations provided in **Article 5.C** and **Exhibit E**.

To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify, and hold harmless, through counsel approved by CITY (which approval will not be unreasonably withheld), CITY, its officers, officials, representatives, agents, employees, and volunteers, against any and all suits, damages, costs, fees, claims, demands, causes of action, losses, liabilities, and expenses, including attorneys' fees, that arise out of, pertain to, or relate to the performance of the Services or this Agreement, including all claims relating to the failure to pay wages, or the injury or death of any person or damage to any property, however caused, regardless of any negligence of CITY, excepting only such injury or death of any person, damage to any property, or any other loss,

damage, or expense caused by the gross negligence or willful misconduct of CITY, its officers, officials, representatives, agents, employees, or volunteers.

To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify, and hold harmless, through counsel approved by CITY (which approval will not be unreasonably withheld), CITY, its officers, representatives, agents and employees from and against any and all claims, suits, damages, costs, fees, demands, causes of action, losses, liabilities and expenses, including, without limitation, reasonable attorneys' fees, arising out of any injury, disability, or death of any of CONTRACTOR's employees.

Notwithstanding the foregoing, to the extent that this Agreement is a "construction contract" within the meaning of Civil Code Section 2783, then CONTRACTOR's obligations to defend, indemnify, and hold harmless CITY, its officers, officials, representatives, agents, employees, and volunteers shall not extend to any injury or death of any person, damage to any property, or any other loss, damage, or expense caused by the sole or active negligence or willful misconduct of CITY, its officers, officials, representatives, agents, employees, or volunteers.

Furthermore, to the extent that CONTRACTOR is a "design professional" within the meaning of Civil Code Section 2782.8, CONTRACTOR's duty to indemnify provided above, including CONTRACTOR's duty and cost to defend, shall be limited to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR.

E. Assignment

Notwithstanding any other provision of this Agreement, neither this Agreement nor any duties or obligations of CONTRACTOR under this Agreement may be assigned or subcontracted by CONTRACTOR without the prior written consent of CITY, which CITY may withhold in its sole and absolute discretion.

F. State and Federal Taxes

As stated in **Article 2**, CONTRACTOR is not CITY's employee. Thus, CONTRACTOR is responsible for paying all required State and Federal taxes. Without limiting the foregoing, CONTRACTOR acknowledges and agrees that:

- CITY will not withhold FICA (Social Security) from payments to CONTRACTOR;
- CITY will not make State or Federal unemployment insurance contributions on behalf of CONTRACTOR;
- CITY will not withhold State or Federal income tax from payments to CONTRACTOR;
- CITY will not make disability insurance contributions on behalf of CONTRACTOR;
- CITY will not obtain workers' compensation insurance on behalf of CONTRACTOR.

G. Americans with Disabilities Act of 1990

Throughout the term of this Agreement, CONTRACTOR shall comply fully with all applicable provisions of the Americans with Disabilities Act of 1990 ("the Act") as the same may be amended from time to time. CONTRACTOR shall also require such compliance of all subcontractors performing work under this Agreement, subject to the limitations on assignment and subcontracting contained in **Article 5.E**, above. CONTRACTOR shall defend, indemnify and hold harmless, through counsel approved by CITY (which approval will not be unreasonably withheld), CITY, its officers, officials, representatives, agents, employees, or volunteers, against all suits, claims, demands, damages, costs, causes of action, losses, liabilities, expenses and fees, including, without limitation, reasonable attorneys' fees, that may arise out of any violations of the Act by CONTRACTOR, its subcontractors, or the officers, employees, agents or representatives of either.

ARTICLE 6. OBLIGATIONS OF CITY

A. Cooperation of City

CITY will respond to all reasonable requests of CONTRACTOR and provide access at reasonable times, following receipt by CITY of reasonable notice, to all documents reasonably necessary to the performance of CONTRACTOR's duties under this Agreement.

B. Assignment

CITY may assign this Agreement or any duties or obligations thereunder to a successor governmental entity without the consent of CONTRACTOR. Such assignment will not release CONTRACTOR from any of CONTRACTOR's duties or obligations under this Agreement.

ARTICLE 7. TIME OF COMPLETION

A. Time of the Essence

All dates and times referred to in this Agreement are of the essence.

B. Commencement of Services

CONTRACTOR shall commence the Services described in **Exhibit B** on the date specified in the CITY's "Notice to Proceed," issued pursuant to **Exhibit A, Section II.A**.

C. Contract Time

CONTRACTOR shall diligently complete its Services within the time provided in **Exhibit C**.

D. Adjustments to Schedule

The term of this Agreement and/or the time periods described in **Exhibit C** may only be extended by amendment to this Agreement executed by CITY and CONTRACTOR in accordance with **Article 9.A**.

ARTICLE 8. TERMINATION OF AGREEMENT

A. Sale of CONTRACTOR's Business/ Death of CONTRACTOR

CONTRACTOR shall notify CITY of the proposed sale of CONTRACTOR's business no later than thirty (30) days prior to any such sale. CITY will have the option of terminating this Agreement by providing written notice of termination in accordance with **Article 9.J**, within thirty (30) days after receiving such notice of sale.

If CONTRACTOR is an individual, this Agreement shall be deemed automatically terminated upon death of CONTRACTOR.

B. Termination by CITY Without Cause

Notwithstanding any other provision of this Agreement, CITY may terminate this Agreement without cause at any time upon giving ten (10) days written notice to CONTRACTOR in accordance with **Article 9.J**. CONTRACTOR shall immediately stop work upon receipt of such notice except as may be necessary to safeguard and protect a project site, and shall be entitled to compensation per this Agreement for work performed prior to work stoppage.

C. Termination by CITY for Material Breach by CONTRACTOR

Should CONTRACTOR breach any provision of this Agreement and such breach be material, CITY may, but is not obligated to, terminate this Agreement by providing written notice to CONTRACTOR in accordance with **Article 9.J**. For the purposes of this section, material breach of this Agreement includes, but is not limited to the following:

1. CONTRACTOR's failure to professionally and/or timely perform any of the Services contemplated by this Agreement.
2. CONTRACTOR's breach of any of its representations, warranties or covenants contained in this Agreement.

Notwithstanding the foregoing, if CITY terminates this Agreement due to CONTRACTOR'S material breach of this Agreement, then in addition to any other rights and remedies CITY may have, CONTRACTOR shall reimburse CITY, within ten (10) days after demand, for any and all costs and expenses incurred by CITY in order to complete those tasks constituting the scope of work as described in this Agreement, to the extent such costs and expenses exceed the amounts CITY would have been obligated to pay CONTRACTOR for the performance of those tasks pursuant to this Agreement.

D. Termination by CONTRACTOR for CITY's Failure to Make Agreed-Upon Payments

If CITY fails to pay CONTRACTOR all or any part of the compensation set forth in **Article 4** of this Agreement by the date due, then if and only if such nonpayment constitutes a material breach under this Agreement, CONTRACTOR may, but is not obligated to, terminate this Agreement if

such breach is not remedied by CITY within thirty (30) days after written demand for such payment is given by CONTRACTOR to CITY in accordance with **Article 9.J.**

E. Transition after Termination

Upon termination, CONTRACTOR shall immediately stop work, unless cessation could potentially cause any damage or harm to person or property, in which case CONTRACTOR shall cease such work as soon as it is safe to do so. CONTRACTOR shall incur no further expenses in connection with this Agreement. CONTRACTOR will be entitled to payment only for work satisfactorily completed through the date of the termination notice, as reasonably determined by CITY, provided that such payment shall not exceed the amount set forth in Article 4.A of this Agreement for its Services which have been fully, competently and timely rendered by CONTRACTOR. CONTRACTOR shall within ten days of receipt of notice of termination deliver to CITY all work done toward completion of the Services required hereunder in the format of electronically stored files where available (including, without limitation, documents, spreadsheets, video and images, AUTOCAD or other design files, and the like) and shall act in such a manner as to facilitate the assumption of CONTRACTOR's duties by any new contractor hired by the CITY to complete such Services, including the use of the files required to be delivered hereunder.

ARTICLE 9. GENERAL PROVISIONS

A. Amendment & Modification

No amendment, modification, alteration or change to the terms of this Agreement will be effective unless and until made in a writing signed by both parties hereto.

B. Attorneys' Fees

If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

C. Binding on Successors and Assigns

The covenants, terms, conditions and provisions of this Agreement shall apply to, and shall bind, the heirs, successors, executors, administrators, and assigns of both parties hereto.

D. Interpretation

The captions and headings of the various articles, sections, paragraphs and subparagraphs of the Agreement are for convenience only and shall not be considered nor referred to for resolving questions of interpretation.

This Agreement contains the contributions of both parties, each of whom has had the opportunity to consult competent counsel, and it is expressly agreed and understood that the rule stated in Civil Code Section 1654, that ambiguities in a contract should be construed against the drafter, shall have no application to the construction of this Agreement.

E. Conflict of Interest

CONTRACTOR certifies that to the best of its knowledge, no employee, officer, or elected official of the CITY or of any public agency interested in this Agreement has any pecuniary interest in the business of CONTRACTOR, and that no person associated with CONTRACTOR has any interest that would constitute a conflict of interest in any manner or degree as to the execution or performance of this Agreement.

F. Entire Agreement

This Agreement supersedes any and all prior agreements, whether oral or written, between the parties hereto with respect to the rendering of Services hereunder by CONTRACTOR for CITY and contains all the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

No other agreements or conversation with any officer, agent or employee of CITY prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Such other agreements or conversations shall be considered as unofficial information and are not binding upon CITY.

G. Exhibits Incorporated

All exhibits referred to in this Agreement and attached to it are hereby incorporated by reference. In the event there is a conflict between the terms in the body of this Agreement and any of the terms of any exhibit to this Agreement, the terms in the body of this Agreement shall control.

H. Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to the conflict of laws provisions of any jurisdiction. The exclusive jurisdiction and venue with respect to any and all disputes arising hereunder shall be in State and Federal courts located in Santa Clara County, California.

I. No Third Party Beneficiary

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties will have any claim or right of action hereunder for any cause whatsoever.

J. Notices

Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered by U.S. Mail, registered or certified, return receipt requested, postage prepaid, or by overnight delivery service showing receipt of delivery, or by personal delivery, or by facsimile (fax) or email. Notices or demands shall be addressed as follows:

CITY: City of Gilroy
Attn: City Administrator
7351 Rosanna Street
Gilroy, CA 95020
Fax: 408-846-0500

With a copy to: City of Gilroy
Attn: Director, Derek Cray, Utilities Department
7351 Rosanna Street
Gilroy, CA 95020
Fax: 408-846-0500

CONTRACTOR: Advanced Integraton & Conrols (AIC)
525 W. Alluvial Ave.
Fresno, CA 93711

or to such other address as either party may from time to time specify in writing to the other party in accordance with this paragraph.

Notices shall be deemed to have been given upon the earlier of actual receipt; or the next business day after delivery to an overnight delivery service; or three (3) days after the deposit in the U.S. mail; or the same day notice is faxed or emailed (if faxed or emailed before 5:00 p.m.), and on the next business day (if faxed or emailed after 5:00 p.m.)

K. Severability

If any provision of this Agreement, including any exhibit hereto, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the court is authorized and instructed to modify this Agreement so that the transactions and agreements contemplated herein are consummated as originally intended to the fullest extent possible.

L. Survival Clause

CONTRACTOR's obligations to defend, indemnify, and hold harmless CITY, and CITY's rights and remedies, as provided in this Agreement, survive the expiration or any termination of this Agreement, including, without limitation, CONTRACTOR's obligations under **Article 5**, and CITY's rights and remedies under **Article 9.B** and **Exhibit A, Section IV.B**.

M. Waiver

Waiver by CITY of any breach, violation of, or failure to perform any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, by CONTRACTOR, or any CITY delay in enforcement of the same, will not be deemed to be a waiver of any other

term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law, by CONTRACTOR.

N. Counterparts; Electronic Signatures

This Agreement may be executed in counterparts, each of which shall be deemed an original. This Agreement and any other documents to be delivered in connection herewith may be electronically signed. Any digital or electronic signatures (including pdf, facsimile or electronically imaged signatures provided by DocuSign or any other digital signature provider) appearing on this Agreement or such other documents shall have the same force and effect as handwritten signatures for the purposes of validity, enforceability and admissibility.

Executed at Gilroy, California, on the date and year written below.

CONTRACTOR:

Advanced Integraton & Conrols
(AIC)

By: 

Name: Shain E. Thomas

Title: President

Social Security or Taxpayer
Identification Number 33-1475345

CITY:

CITY OF GILROY

By: _____

Name: Matt Morley

Title: City Administrator

Date: _____

Approved as to Form

ATTEST:

City Attorney

City Clerk

EXHIBIT A
SPECIFIC PROVISIONS

I. PROJECT MANAGER

CONTRACTOR shall provide the Services as outlined in **Exhibit B**, (“Scope of Services”). To accomplish that end, CONTRACTOR agrees to assign David Chen, who will act in the capacity of Project Manager, and who will personally direct such Services.

Except as may be specified elsewhere in this Agreement, CONTRACTOR shall furnish all technical and professional services including labor, material, equipment, transportation, supervision, and expertise to perform all operations necessary and required to complete the Services in accordance with the terms of this Agreement.

II. NOTICE TO PROCEED/COMPLETION OF SERVICE

A. NOTICE TO PROCEED

CONTRACTOR shall commence the Services upon CITY’s delivery of a written “Notice to Proceed,” from the designated CITY contact person(s) to CONTRACTOR. For purposes of this Agreement, Tyson Enzweiler will be the designated CITY contact person(s). The Notice to Proceed may be in the form of email, letter or fax authorizing commencement of the Services. The Notice to Proceed shall be given in accordance with **Article 9.J** of this Agreement or may be given by email.

B. COMPLETION OF SERVICES

When CITY determines that CONTRACTOR has completed all of the Services in accordance with the terms of this Agreement, CITY will give CONTRACTOR a written Notice of Final Acceptance. CONTRACTOR may request this Notice of Final Acceptance when, in its opinion, it has completed all of the Services as required by the terms of this Agreement and, if so requested, CITY will make a determination of completion within two (2) weeks of such request, or if CITY determines that CONTRACTOR has not completed all of such Services as required by this Agreement, CITY will so inform CONTRACTOR within this two (2) week period. CITY’s failure to make such a determination of completion within two (2) weeks shall be deemed to constitute CITY’s rejection of the Services subject to CITY’s later issuance of a Notice of Final Acceptance.

III. PAYMENT OF FEES AND DIRECT EXPENSES

Payments will be made to CONTRACTOR as provided for in **Article 4** of this Agreement.

Direct expenses are charges and fees for services not included in **Exhibit B**. CITY will only be obligated to pay for those direct expenses that have been previously approved in writing by CITY. CONTRACTOR must obtain written approval from CITY prior to incurring or billing for direct expenses.

Copies of pertinent financial records, including, without limitation, invoices, must be included with the submission of billing(s) for all direct expenses.

IV. OTHER PROVISIONS

A. STANDARD OF WORKMANSHIP

CONTRACTOR represents and warrants that it has the qualifications, skills, and licenses necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and CITY expressly relies upon CONTRACTOR's representations and warranties regarding its skills, qualifications and licenses.

Any plans, designs, specifications, estimates, calculations, reports and other documents furnished under this Agreement shall be of a quality acceptable to CITY. The minimum criteria for acceptance will be a product of neat appearance, well-organized, technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings will be that used by CITY for similar purposes.

If such deliverables are required under this Agreement, all civil (including structural and geotechnical) engineering plans, calculations, specifications, and reports shall be prepared by, or under the responsible charge of, a licensed civil engineer and will include his or her name and license number. Interim documents will include a notation as to the intended purpose of the document, such as "preliminary" or "for review only." All civil engineering plans and specifications that are permitted or that are to be released for construction will bear the signature and seal of that licensee and the date of signing and sealing or stamping.

B. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR

CITY, through its authorized employees, representatives or agents, shall have the right, at any and all reasonable times, to audit the books and records (including, without limitation, invoices, vouchers, canceled checks, time cards, etc.) of CONTRACTOR for the purpose of verifying any and all charges made by CONTRACTOR in connection with this Agreement. CONTRACTOR shall maintain for a minimum period of three (3) years from the date of final payment to CONTRACTOR, or for any longer period required by law, sufficient books and records in accordance with standard California accounting practices to establish the correctness of all charges submitted to CITY by CONTRACTOR, all of which will be made available to CITY at the CITY's offices within five (5) business days after CITY's request.

C. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data (including, without limitation, computer data and source code), drawings, descriptions, documents, discussions or other information developed or received by or for CONTRACTOR and all other written and oral information submitted to CONTRACTOR in connection with the performance of this Agreement shall be held confidential by CONTRACTOR and will not, without the prior written consent of CITY, be used for any purposes other than the performance of the Services, nor be disclosed to an entity not connected with the performance of the such Services. Nothing furnished to

CONTRACTOR which is otherwise known to CONTRACTOR or which becomes generally known to the related industry (other than that which becomes generally known as the result of CONTRACTOR's disclosure thereof) will be deemed confidential. CONTRACTOR shall not use CITY's name or insignia, or distribute publicity pertaining to the Services rendered under this Agreement in any magazine, trade paper, newspaper or other medium without the express written consent of CITY.

D. NO PLEDGING OF CITY'S CREDIT.

Under no circumstances will CONTRACTOR have the authority or power to pledge the credit of CITY or incur any obligation in the name of CITY.

E. OWNERSHIP OF MATERIAL.

All material including, without limitation, computer information, data and source code, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports and other material developed, collected, prepared (or caused to be prepared) under this Agreement ("Materials") shall be provided to CITY upon its request (whether during or after the term of this Agreement), but CONTRACTOR may retain and use copies thereof subject to **Section IV.C** above. Upon delivery to CITY, any Materials delivered shall become the property of the CITY, but they shall remain the property of CONTRACTOR prior to the delivery thereof.

CONTRACTOR represents and warrants to CITY that none of the Materials infringes any patent, copyright, trademark, trade secret, or any other intellectual property right of any third-party, and any claims arising out of an actual or alleged breach of this representation and warranty shall be subject to CONTRACTOR's obligations pursuant to **Article 5.D**.

Upon delivery to CITY, CITY shall not be limited in any way in its use of the Materials at any time for any work, whether or not associated with the Services rendered under this Agreement. However, CONTRACTOR will not be responsible for, and City will indemnify CONTRACTOR from, damages resulting from the use of the Materials for work other than for the Services, including, without limitation, the release of Materials to third parties for work other than on the Services rendered under this Agreement.

F. FEDERAL OR STATE FUNDING REQUIREMENTS.

- ☐ If the box to the left of this sentence is checked, this Agreement involves Federal or State funding and the requirements of this **Section IV.F**, below, apply.

1. DBE Program

CONTRACTOR shall comply with the requirements of Title 49, Part 26, Code of Federal Regulations (49 CFR 26) and the City-adopted Disadvantaged Business Enterprise programs.

2. Cost Principles

Federal Acquisition Regulations in Title 48, CFR 31, will be used to determine the allowable cost for individual items.

3. Covenant against Contingent Fees

The CONTRACTOR warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the CONTRACTOR, to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, CITY shall have the right to annul this Agreement without liability or, at its discretion, to deduct from the price or consideration specified in this Agreement, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or other consideration.

4. Byrd Anti-Lobbying Amendment

If the maximum amount of this Agreement exceeds One Hundred Thousand and No/100 Dollars (\$100,000.00), CONTRACTOR shall comply with the provisions of 31 U.S.C. § 1352.

5. Additional Federal Requirements

If applicable, CONTRACTOR shall comply with the requirements of Title 37, Part 401, Code of Federal Regulations (34 CFR 401), "Rights to Inventions Made by Nonprofit Organizations and Small Businesses Under Government Grants, Contracts and Cooperative Agreements," the Clean Water Act (42 U.S.C. § 7401, et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251, et seq.), and any orders and regulations pursuant thereto. CONTRACTOR has read and understands the provisions of Appendix II, Title 2, Part 200, Code of Federal Regulations (2 CFR 200, Appx. II), "Contract Provisions for Non-Federal Entity Contracts Under Federal Awards," which are incorporated herein by reference as though fully set forth.

G. PREVAILING WAGE REQUIREMENTS.

If this Agreement is subject to the payment of prevailing wages pursuant to **Section A of Article 5**, the following requirements apply:

1. Payment of Prevailing Wages

CONTRACTOR and all subcontractors shall pay workers per diem wages in an amount that is no less than the applicable prevailing wage rate.

2. Prevailing Wage Rates

The prevailing wage rate of per diem wages is available online at the following website: <https://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>. CONTRACTOR and all

subcontractors shall post a copy of the prevailing wage rate of per diem wages at each job site and shall make them available to any interested party upon request.

3. Penalties for Violations

CONTRACTOR and all subcontractors shall comply with Labor Code Section 1775 in the event a worker is paid less than the prevailing wage rate for the work or craft in which the worker is employed. This shall be in addition to any other applicable penalties allowed under Labor Code Sections 1720 through 1861.

4. Payroll Records

CONTRACTOR and all subcontractors shall comply with Labor Code Section 1776, which generally requires keeping accurate payroll records, verifying and certifying payroll records, and making them available for inspection. CONTRACTOR and all subcontractors shall also furnish records specified in Labor Code Section 1776 directly to the Labor Commissioner in the manner required by Labor Code Section 1771.4.

5. Apprentices

CONTRACTOR and all subcontractors shall comply with Labor Code Sections 1777.5, 1777.6, and 1777.7 concerning the employment and wages of apprentices. CONTRACTOR shall ensure their subcontractors comply with Labor Code Section 1777.5, and CONTRACTOR may be subject to penalties for their subcontractors' non-compliance with Labor Code Section 1777.5 pursuant to the standards enumerated in Labor Code Section 1777.7.

6. Working Hours

CONTRACTOR and all subcontractors shall comply with Labor Code Sections 1810 through 1815, including but not limited to restricting working hours on public works contracts to eight (8) hours a day

7. Contractor and Subcontractor Registration Requirements

CONTRACTOR and all subcontractors shall not be qualified to bid on, be listed in a bid or proposal, subject to the requirements of Public Contract Code Section 4104, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Business and Professions Code Section 7029.1 or by Public Contract Code Sections 10164 and 20103.5, provided the contractor is registered to perform public work pursuant to Labor Code Section 1725.5 at the time the contract is awarded.

8. Compliance Monitoring and Enforcement

This Agreement and the Services provided thereunder are subject to compliance monitoring and enforcement by the Department of Industrial Relations.

EXHIBIT B

SCOPE OF SERVICES

1. General Overview

The Contractor shall provide comprehensive SCADA, PLC, electrical, instrumentation, networking, and systems integration services to support the City of Gilroy's water distribution and wastewater collection systems. Services include ongoing system maintenance, on call emergency response, troubleshooting, programming support, field services, system upgrades, and long range modernization planning. Services shall be performed by qualified technical, engineering, and field personnel and shall comply with all applicable City, state, and federal requirements.

2. Available Resources and Technical Capabilities

The Contractor shall provide services using a fully integrated in house team with the following capabilities:

- SCADA/PLC engineering and programming (Ignition, Allen Bradley, Schneider Electric, Wonderware, FactoryTalk, VTScada).
- Industrial networking support (radio, cellular, fiber, Ethernet).
- Electrical and instrumentation services (installation, calibration, repair).
- UL 508A control panel fabrication and validation.
- 24/7/365 emergency response with remote diagnostics and field dispatch.
- Cybersecurity expertise aligned with NIST SP 800 82 and ISA/IEC 62443 standards.

3. On Call and Emergency Response Services

Contractor shall maintain continuous 24/7/365 availability for emergency SCADA/PLC, electrical, and instrumentation support.

Required response process:

1. Intake, triage, and severity-level assessment.
2. Remote diagnostics by a qualified SCADA engineer.
3. Field dispatch if on site resolution is required.

4. System restoration, testing, and reporting.

Response time targets:

- Critical (P1): 1 hour response, 4 - 8 hour target resolution.
- High (P2): 1–2 hours.
- Medium (P3): 8 hours.
- Low (P4): 1 business day.

4. Preventative Maintenance and System Administration

Contractor shall develop and maintain a proactive maintenance program including:

- Quarterly SCADA and PLC backups.
- Regular historian and alarm system review.
- Communications system testing (radio, cellular, fiber networks).
- Cybersecurity audits including user access review and patch analysis.
- System reliability and performance evaluations.

Upon contract award, Contractor shall perform onboarding discovery including review of documentation, field verification, communications assessment, and risk identification.

5. SCADA, PLC, and Controls Engineering Services

Contractor shall provide SCADA and PLC system engineering, programming, and support including:

- Development, modification, and troubleshooting of PLC logic.
- HMI/SCADA screen development, alarm configuration, historian setup, reporting.
- Integration of new field devices, stations, or instrumentation.
- Support for multi-platform SCADA environments.
- Development of system architecture improvements and modernization planning.
- Support for Ignition, FactoryTalk, Wonderware, AVEVA, and Schneider platforms.

6. Field Services, Installation, and Commissioning

Contractor shall provide licensed electricians, instrumentation technicians, and certified panel builders to support:

- Installation of new PLC panels, VFDs, MCC elements, instrumentation, and communications equipment.
- Calibration of flow, level, pressure, temperature, and analytical sensors.
- Factory Acceptance Testing (FAT) and Site Acceptance Testing (SAT).
- Commissioning, startup, documentation updates, and as built package development.

7. Communications and Networking Support

Contractor shall support all SCADA related networking and communication systems, including:

- Radio path surveys, configuration, and troubleshooting (GE MDS, Schneider Trio, cellular VPN, fiber).
- Network diagnostics using analyzers and RF tools.
- OT/IT integration, firewalls, VPN access, DMZ design, and secure remote access.

8. Reporting, Documentation, and Recordkeeping

Contractor shall provide:

- Daily service reports for all work performed.
- Immediate documentation for emergency or critical incidents, including root cause and corrective actions.
- Monthly and annual maintenance schedules for City review and approval.
- Detailed electronic recordkeeping of labor, materials, system changes, and maintenance history.

9. Program Management and Staffing

The Contractor shall assign a dedicated Program Manager / Lead SCADA Engineer to serve as the City's primary contact and will oversee service delivery, staffing, and quality assurance.

Staffing shall include:

- Full time SCADA/PLC programmers.
- Field technicians and instrumentation specialists.
- On call emergency personnel.
- Administrative and scheduling support.

Contractor shall maintain contingency supervisory coverage at all times.

10. Training and Safety

Contractor shall provide operator and staff training as requested by the City, including:

- SCADA system operation.
- PLC troubleshooting.
- Networking and alarm management.

Contractor staff shall maintain required safety qualifications including:

- OSHA safety compliance.
- Lockout/Tagout (LOTO).
- Arc flash awareness.
- Confined space awareness.
- HAZCOM and PPE standards.

11. Logistics and Material Management

Contractor shall support material procurement, storage, and logistics through its facility and shall coordinate onsite storage or temporary local warehousing for project-specific materials.

Contractor shall maintain fully-equipped service vehicles with tools, instrumentation, and diagnostic equipment required to support field operations.

12. Long Term Planning, System Modernization, and Support

Contractor shall support the City with long-term planning activities including:

- Annual SCADA system assessments.
- Development of multi year SCADA modernization and capital improvement plans.
- Recommendations for system lifecycle replacement strategies.
- Cybersecurity enhancements and compliance improvements.
- Support for integration with GIS, CMMS, asset management systems, and operational dashboards.

EXHIBIT C

MILESTONE SCHEDULE

1. Project Initiation & Onboarding

Milestone 1 – Kickoff Meeting

- **Timing:** Within 5 business days of Notice to Proceed (NTP)
- **Description:** Establish communication protocols, confirm staffing assignments, review service expectations, and schedule initial site assessment.

Milestone 2 – System Discovery & Documentation Review

- **Timing:** Within 30 days of NTP
- **Description:**
 - o Review existing SCADA/PLC documentation
 - o Verify system architecture, communications, alarms, and control strategies
 - o Identify system risks, deficiencies, and dependencies

Milestone 3 – Field Verification of Facilities

- **Timing:** Within 45 days of NTP
- **Description:**
 - o Conduct site visits to wells, lift stations, pump stations, and associated facilities
 - o Validate instruments, panels, and communication equipment

2. Preventative Maintenance & Recurring Services

Milestone 4 – Quarterly Preventative Maintenance Cycle

- **Timing:** Every 90 days from NTP
- **Activities:**
 - o SCADA & PLC backups
 - o Alarm and historian optimization
 - o Communications testing (radio, cellular, fiber)

- o Cybersecurity review (user access, patching, audit)

Milestone 5 – Annual System Assessment

- Timing: Annually from NTP
- Activities:
 - o SCADA system performance audit
 - o Cybersecurity posture evaluation
 - o Recommended modernization plan and lifecycle updates

3. On Call & Emergency Response

Milestone 6 – Emergency Response Availability

- Timing: Continuous, 24/7/365
- Requirements:
 - o 1 hour response for Critical (P1) events
 - o Remote diagnostics initiated immediately
 - o Field dispatch if remote resolution is not achievable

Milestone 7 – Post Incident Reporting

- Timing: Within 3 business days following any emergency or critical event
- Deliverable: Full report including root cause, actions taken, and preventive recommendations

4. Project Specific Work & Integration Tasks

Milestone 8 – Engineering & Development Tasks

- Timing: As assigned by City; each task will include its own mini schedule
- Scope Examples:
 - o PLC programming or reprogramming
 - o HMI/SCADA screen development
 - o Integration of new sites or instrumentation
 - o Communications upgrades

Milestone 9 – FAT/SAT & Commissioning

- Timing: Per project schedule when equipment installations occur
- Activities:
 - o Factory Acceptance Testing (if applicable)
 - o Site Acceptance Testing
 - o Commissioning and startup
 - o As built documentation

5. Reporting, Documentation & Scheduling

Milestone 10 – Monthly Activity Reporting

- Timing: Monthly throughout contract
- Deliverables:
 - o Summary of services performed
 - o Labor and material usage
 - o Status of open items
 - o Upcoming scheduled maintenance

Milestone 11 – Annual Maintenance Calendar

- Timing: Delivered within 60 days of NTP, updated annually
- Description: Preventative maintenance schedule, communication tests, planned upgrades, and inspection intervals

EXHIBIT D
PAYMENT SCHEDULE

1. Hourly Labor Rates – SCADA Support Services

The following hourly rates apply to all time and materials services performed under this Agreement:

(All roles and rates pulled from Attachment B.)

Regular Hours (Mon–Fri, 7AM–4PM)

- SCADA Engineer / Controls Engineer: \$250/hr
- Field Technician / Installer / I&C Engineer: \$225/hr
- Network/Communications Technician: \$250/hr
- Project Manager: \$225/hr

Overtime / Double Time / Emergency

- Overtime: 1.5× rate
- Double Time: 2.0× rate
- Emergency / Weekend / Holiday: 3.0× rate

Minimum Charges

- Remote support (after hours): 2 hour minimum
- On site support: 4 hour minimum

Travel & Expense Rates

- Mileage: \$1.00/mile
- Lodging & materials: Cost + 25%
- Per diem: IRS GSA rate or actual cost, whichever is lower

Invoicing Requirements

- Contractor may invoice no more than once every 30 days (per Agreement template).
- Invoices must include:

- o Labor hours by classification
- o Materials and equipment (if applicable)
- o Travel/mileage
- o Copies of all receipts for reimbursable expenses

Not to Exceed Authorization

The total compensation for services performed under this Agreement shall not exceed the amount authorized by the City in writing. Additional work requires prior written authorization.

EXHIBIT E

INSURANCE [Professional Services]

CONTRACTOR shall procure and maintain for the duration of the Agreement, and for additional time if required below, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, its agents, representatives, or employees, including any subcontractors.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 00 01 covering Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the CONTRACTOR's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

If CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

CITY, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to

the CONTRACTOR's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37).

Primary Coverage

For any claims related to this Agreement, the CONTRACTOR's insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 12 19 in regards to CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Umbrella or Excess Policy

CONTRACTOR may use Umbrella or Excess Policies to provide the liability limits as required in this Agreement. The policies shall be provided on a true "following form" coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to CITY.

Waiver of Subrogation

CONTRACTOR hereby grants to CITY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against CITY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by CITY. CITY may require CONTRACTOR to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or CITY.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the CITY.

Claims Made Policies

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of work pursuant thereto.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date,

CONTRACTOR must purchase “extended reporting” coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

CONTRACTOR shall furnish CITY with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All required documents are to be received and approved by CITY before work commences. However, failure to obtain the documents prior to the work beginning shall not waive CONTRACTOR’s obligation to provide them. CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements, at any time.

Subcontractors

CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that CITY is an additional insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies for any construction-related work, including, but not limited to, maintenance, service, or repair work, shall continue coverage for a minimum of five (5) years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

Special Risks or Circumstances

CITY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

UTILITIES DEPARTMENT • RFP No. 26-RFP-UT-539

Water & Wastewater SCADA Controls System Integration & Support Services

Recommendation to award a three-year contract to Advanced Integration & Controls (AIC)

PRESENTED BY

Tyson Enzweiler, Utilities Operations Manager

DATE

July 27, 2026

What We'll Cover

Three things to know about this request



The Situation

Contract with Mission Controls
expired

SCADA needs specialized,
ongoing support



The Process

AIC was competitively selected
through an RFP



The Ask

Award a three-year, \$450,000
contract

Recommended Council Actions

Three actions requested today



1. Award the Contract

\$450,000 to AIC, three-year term



2. Authorize Execution

City Administrator executes the agreement



3. Authorize Amendments

Two future one-year extensions

Background

How we got here



2016

Original SCADA support contract
awarded to Mission Controls Co.



June 2026

Contract expired



Current Status

City issued a competitive RFP to
secure continued service and
reliability

Competitive Selection

RFP No. 26-RFP-UT-539



5 Proposals

Received from qualified SCADA
firms



Scored on Evaluation Criteria

Approach, qualifications, and
cost-effectiveness and proximity



AIC Selected

Ranked most qualified by the
scoring committee

What is SCADA?

SCADA (Supervisory Control and Data Acquisition)

SCADA

A control system that lets operators remotely monitor and control field equipment – pumps, valves, well sites, lift stations.

How it Works

1. Sensors and PLC's collect real time data.
2. Data flows over a communication network
3. Operators view system status and issue commands

Recommended Council Actions

Three actions requested today



1. Award the Contract

\$450,000 to AIC, three-year term



2. Authorize Execution

City Administrator executes the agreement



3. Authorize Amendments

Two future one-year extensions



Thank you!



City of Gilroy

STAFF REPORT

Agenda Item Title: Approval of AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit Memoranda of Understanding and Related Salary Schedules for the Period of July 1, 2026 - June 30, 2029; and the Unrepresented Confidential, Full-Time, Non-Exempt, and Hourly, Part-Time/Temporary/Seasonal Employees Salary Schedules for the Same Period.

Meeting Date: July 27, 2026
 From: Matt Morley, City Administrator
 Department: Human Resources/Risk Management
 Submitted by: LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.
 Prepared by: LeeAnn McPhillips, Interim Human Resources Director/Risk Manager.

STRATEGIC PLAN GOALS: Not Applicable

RECOMMENDATION

1. Approve the Memoranda of Understanding with AFSCME, Local 101 General Unit and AFSCME, Local 101 Supervisory Unit for the period July 1, 2026–June 30, 2029.
2. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 General Unit.
3. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with AFSCME, Local 101 Supervisory Unit.
4. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with the Unrepresented, Confidential, Full-Time, Non-Exempt employees.
5. Adopt a Resolution of the City Council of the City of Gilroy approving the July 1, 2026, July 1, 2027, and July 1, 2028 salary schedules associated with the

Unrepresented, Hourly, Part-Time/Temporary/Seasonal employees.

EXECUTIVE SUMMARY

The City of Gilroy is a public employer. As such, and consistent with the Meyers-Milias-Brown Act (MMBA), the City engages in a collective bargaining process with represented employees through bargaining units. The process usually occurs over a three to four month period before the expiration of the existing labor contract. City employees (except executives and certain others) are organized into five different bargaining units and are represented by unions. The product of the collective bargaining process is a Memorandum of Understanding (MOU). MOUs specify the terms and conditions of employment.

AFSCME Local 101 has two bargaining initis with the City of Gilroy; a General Employee Unit and a Supervisory Employee Unit.

The City also has Unrepresented, Confidential, Full-Time, Non-Exempt employees. These full-time employees have confidential duties and are not represented by a union and historically have received the same salary and benefit increases as the AFSCME group. In addition, the City has Unrepresented, Hourly, Part-Time/Temporary/Seasonal employees. These part-time/temporary/seasonal employees are at-will and unbenefitted and historically have received the same salary increase as the AFSCME group.

BACKGROUND

Staff recently concluded negotiations with AFL-CIO, AFSCME, Local 101 General and Supervisory groups (approximately 125 covered positions) for successor Memoranda of Understanding (MOUs) including salary schedules for the period of July 1, 2026 - June 30, 2029, in conformance with City Council direction. Final copies of the MOUs and the corresponding salary schedules are attached for Council's review and approval. Staff worked with bargaining team members to prepare the changes to the MOU documents. The final drafts of the MOUs have been reviewed by representatives of the bargaining team and designated representatives have signed-off on the final documents. The City negotiating team will sign the documents following City Council approval.

The main focus of the negotiations was to increase the salary schedules and health benefit contributions for purposes of recruitment and retention of employees. As the Council is aware, the cost-of-living continues to increase and the higher price of gasoline, housing, and groceries are challenges for City of Gilroy employees. The April 2025-2026 Consumer Price Index for Urban Wage Earners & Clerical Works (CPI-W) in our region is 3.8%. Maintaining a competitive compensation package is a priority for the organization and allows the City to hire and retain employees who provide high-quality services to the community. The three-year term will provide stability for the employees and the organization overall, and allows staff to plan and budget for the approved salary

and benefit increases.

ANALYSIS

The main areas of change to the AFSCME, Local 101 General and Supervisory Unit MOUs are summarized below:

- Three-year contract terms: July 1, 2026 - June 30, 2029
- Salary increases as follows:
 - 3.8% salary increase effective July 1, 2026
 - 3.7% salary increase effective July 1, 2027
 - 3.0% salary increase effective July 1, 2028
- Completion of a total compensation study for AFSCME classifications by December 31, 2028 to inform successor negotiations for the period beginning July 1, 2029
- Increase the City contribution to medical and dental insurance premiums by 5% each calendar year (January 1, 2027, January 1, 2028, and January 1, 2029)
- Established cap on the amount of medical-in-lieu pay for those employees who waive medical insurance
- Increased meal allowance from \$10 per meal to \$15 per meal for those required to work more than two hours beyond their normal shift time
- Incorporated holiday side letter for the March 31st holiday
- Realignment of the certificate pay program for Public Works Operations and Utilities Operations employees to reflect the reorganization and establishment of Sections within the new Utilities Department.
- Four-hour increase to personal leave hours for non-sworn police department employees (PSC and PRT) and clarify the use of personal leave time for all employees
- Update bereavement leave language to align with CA state law
- Developed revised job descriptions for the following job classifications:
 - Public Works Maintenance Worker I
 - Public Works Maintenance Worker II
 - Utilities Maintenance Worker I
 - Utilities Maintenance Worker II
 - Associate Engineer (new)
 - Assistant Engineer (formerly Engineer II)
 - Junior Engineer (formerly Engineer I)
- Other minor language clean-up/clarification

The same salary and benefit increases noted above are applicable to the Unrepresented/Confidential/Non-Exempt employees.

The same pay rate increases noted above are applicable to the Unrepresented/Part-

Time/Temporary/Seasonal/At-Will employees.

ALTERNATIVES

The City and AFSMCE, Local 101 have proceeded forward with good faith negotiations. The final MOUs for approval are consistent with the authority granted by the Council. Therefore, it is recommended that the City Council proceed with final approval of the MOUs and salary tables. There is no other recommended alternative.

FISCAL IMPACT/FUNDING SOURCE

The FY 27 cost for the MOU and salary resolution changes are estimated to be approximately \$655,000 with approximately 62% of the cost borne by the general fund and 38% of the cost borne by other funds.

The FY 28 cost for the MOU and salary resolution changes are estimated to be approximately \$712,000 with approximately 62% of the cost borne by the general fund and 38% of the cost borne by other funds.

The FY 29 cost for the MOU and salary resolution changes are estimated to be approximately \$690,000 with approximately 62% of the cost borne by the general fund and 38% of the cost borne by other funds.

The above cost estimates include costs for AFSCME, Local 101 (General and Supervisory Units), Unrepresented/Full-Time/Confidential/Non-Exempt employees, and Unrepresented/Part-Time/Temporary/Seasonal/At-Will/Hourly employees. For FY 27, the cost breakdown by employee group is:

- AFSCME (General & Supervisory Units) - \$592,537
- Unrepresented/Full-Time/Confidential/Non-Exempt - \$19,713
- Unrepresented/Part-Time/Temporary/Seasonal/At-Will/Hourly - \$42,750

The FY 27 costs will be absorbed within the current FY 27 budget and the FY 28 and FY 29 costs will be incorporated into the FY 28 & 29 biennial budget process.

PUBLIC OUTREACH

The draft MOUs (tentative agreements) were posted on the City of Gilroy website for ten days prior to City Council consideration as required by the City of Gilroy Open Government Ordinance.

NEXT STEPS

Following City Council approval of the new MOUs and salary schedules, the final MOUs will be signed by the City representatives and implemented per the terms and timing indicated within the MOUs and salary schedule resolutions.

Attachments:

1. AFSCME General Unit MOU Packet July 1, 2026 - June 30, 2029 for agenda packet
2. AFSCME Supervisory Unit MOU Packet July 1, 2026 - June 30, 2029 for Agenda Packet
3. AFSCME Local 101 General Unit Salary Resolution and Schedules July 1, 2026 - June 30, 2029 for agenda packet
4. AFSCME Local 101 Supervisory Unit Salary Resolution and Schedules July 1, 2026 - June 30, 2029 for agenda packet
5. Unrep Confidential Non Exempt Resolution and Salary Schedules July 1 2026 - June 30, 2029 for agenda packet
6. Part-Time Temporary Seasonal Resolution and Salary Schedules July 1 2026 - June 30, 2029 for agenda packet

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF GILROY

AND

AFSCME, AFL-CIO, LOCAL 101

GILROY CHAPTER

GENERAL UNIT

JULY 1, 2026 – JUNE 30, 2029

TABLE OF CONTENTS
AFSCME, LOCAL 101
GENERAL UNIT MOU

<u>ARTICLE/SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>
ARTICLE I	PARTIES TO THE AGREEMENT	1
ARTICLE II	RECOGNITION AND SCOPE	1
ARTICLE III	CITY RIGHTS	1
Section A	In General	1
Section B	Rights Enumerated	1
Section C	Employee Grievances Not Impaired	2
Section D	Consultations with Union	2
ARTICLE IV	UNION RIGHTS	2
Section A	Union Security	2
Section B	Information	3
Section C	Employee Orientation	3
ARTICLE V	SALARIES AND OTHER COMPENSATION	3
Section A	Salaries	3
Section B	Training	5
Section C	Retention/Recognition Incentive/Health Reimbursement Arrangement	6
Section D	Retirement Plan and Contributions	7
Section E	Shift Differential	7
Section F	Tuition Reimbursement	8
Section G	Overtime	8
Section H	Stand-By Pay	9
Section I	Call Back Pay	10
Section J	Temporary Upgrade Pay	10
Section L	Certificate/License Pay	11
Section M	Bi-Lingual Pay	13
Section N	Deferred Compensation	14
ARTICLE VI	INSURANCE PROGRAMS	14
Section A	Medical and Dental Insurance	14
Section B	Life Insurance	15
Section C	Long Term Disability Insurance	16
ARTICLE VII	LEAVES	16
Section A	Vacation Leave	16
Section B	Sick Leave	16
Section C	Personal Leave	17
Section D	Bereavement Leave	17
Section E	Holidays	18
Section F	Christmas Eve Mandatory Closure	19
Section G	No Use of Leave to Extend Retirement or Separation Date	19

TABLE OF CONTENTS
AFSCME, LOCAL 101
GENERAL UNIT MOU

<u>ARTICLE/SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>
ARTICLE VIII	MISCELLANEOUS	19
Section A	Uniforms	19
Section B	Safe Work Place Commitment	21
Section C	Safety Committee	21
Section D	Tool Allowance	21
Section E	Contracting Out	22
Section F	Union Leave	22
Section G	City-Paid Meal	23
Section H	Employee Commitment	23
Section I	Probationary Period	24
Section J	Residency Requirements	24
Section K	Eyeglass Replacement	24
Section L	Layoff Policy	24
Section M	Employee Assistance Program	25
Section N	Grievance and Disciplinary Action	25
Section O	Bulletin Boards, Mail, and E-mail	27
Section P	Donation of Vested Time	27
Section Q	Human Resources File	27
Section R	Labor Management Committee	27
Section S	Employee Performance Appraisal	27
Section T	Equal Employment Opportunity	28
Section U	Alternate Work Schedules	28
Section V	DMV Pull Notice Program	28
Section W	Payroll Date and Direct Deposit	29
Section X	Change of Work Schedule (Public Safety Communicators)	29
ARTICLE IX	PEACEFUL PERFORMANCE	29
ARTICLE X	REINSTATEMENT	29
ARTICLE XI	REOPENERS	30
ARTICLE XII	FULL UNDERSTANDING	30
ARTICLE XIII	SAVINGS PROVISION	30
ARTICLE XIV	TERM	31

EXHIBITS

Exhibit A (1-3)	Salary Tables - General Unit	9 pages
Exhibit B	Certificate/License Pay Chart - General Unit	3 pages
Exhibit C	Mechanic's Tool Policy	5 pages

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF GILROY
AND
AFSCME, AFL, CIO, LOCAL 101
GILROY CHAPTER
GENERAL UNIT
JULY 1, 2026 - JUNE 30, 2029

ARTICLE I. PARTIES TO THE AGREEMENT

This Memorandum of Understanding is jointly prepared and executed by representatives of the City of Gilroy (hereinafter CITY) and the Gilroy Employee Association affiliated with the American Federation of State, County, and Municipal Employees (AFSCME), Local 101, AFL-CIO (hereinafter UNION) for presentation to, and consideration by, the City Council of CITY. It shall not be binding until ratified by the UNION and adopted by the City Council.

ARTICLE II. RECOGNITION AND SCOPE

CITY hereby recognizes UNION as the recognized employee organization for purposes of Government Code 3500 et seq. and the Employer-Employee Relations Policy of CITY (City Council Resolution 85-25). Such recognition shall extend only to the representation of employees holding permanent positions in the General Unit.

ARTICLE III. CITY RIGHTS

Section A. In General:

All CITY rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with CITY.

Section B. Rights Enumerated:

Nothing in this Agreement shall be construed to restrict any legal or inherent exclusive CITY rights with respect to matters of general legislative or managerial policy which include but are not limited to:

the exclusive right to determine the mission of its constituent sections; set standards of selection for employment and promotion; train, direct and assign its employees; require overtime work; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of CITY operations; determine the methods, means and personnel by which CITY operations are to be conducted; determine the content of job classifications; take all necessary actions to prepare for and carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. CITY has the right to make reasonable rules and regulations pertaining to employees consistent with this Agreement.

Section C. Employee Grievances Not Impaired:

1. The exercise of CITY management rights shall not preclude a grievant from presenting a grievance in accordance with the Human Resources Rules and Regulations, concerning an adverse effect of the exercise of such rights upon employee; provided, however, the basic right of management to act hereunder or make decisions is unimpaired.
2. Notwithstanding paragraph 1, above, bargaining unit members must utilize the Grievance Procedure contained in Article VIII (P) of the MOU rather than the Human Resources Rules and Regulations for any grievances involving the interpretation, application, or alleged violation of this memorandum of understanding.

Section D. Consultations with UNION:

This Agreement is not intended to restrict the right of CITY to consult with UNION regarding matters within the right of CITY to determine. However, the parties understand that such consultation shall not create any obligation to meet and confer over issues not within the scope of representation.

Pursuant to MMBA Section 3504, the scope of representation shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

ARTICLE IV. UNION RIGHTS

Section A. Union Security:

1. An employee in one of the classes included in the Unit may at any time execute a payroll deduction authorization form ("Deduction Authorization Form") as furnished by AFSCME.
2. AFSCME will be custodian of records for such Deduction Authorization Form and will provide the City with a certification that it has and will maintain an authorization, signed by the individual from whose salary or wages the deduction or reduction is to be made. AFSCME shall not be required to provide the City a copy of the employee's authorization unless a dispute arises about the existence or terms of the authorization. However, AFSCME will provide the City with a certification document for each employee with sufficient information to allow the City to identify the appropriate level of deductions.

3. The City shall begin deductions in the amount prescribed by AFSCME in the first full payroll period after receipt of written certification of employee authorization from AFSCME if received on or before the 20th of the month. Otherwise, the deduction will begin in the following month.
4. The City shall direct employee requests to cancel or change deductions to AFSCME and shall rely on information provided by AFSCME regarding whether deductions for an employee organization were properly canceled or changed.
5. Consistent with state law, AFSCME shall indemnify and save harmless the City, its officers and employees, for (1) any claims made by an employee for deductions made in reliance on AFSCME's certification regarding a Deduction Authorization Form and (2) any claims made by an employee for deductions made in reliance on information provided by AFSCME regarding changes or cancellations to the deduction authorization.
6. The Union shall have the right to use City conference rooms and meeting facilities on the same basis as other governmental organizations. Use of non-public areas shall require prior authorization by the Department Head or designee. All requests for use of facilities shall be made through the Human Resources Director.

Section B. Information:

The City agrees to provide the Union with names of new hires within the bargaining unit on a timely basis. The City will continue to provide the Union with a monthly report, including Employee Name, Department, Wages, and Deduction Amount.

Section C. Employee Orientation:

City and AFSCME have agreed to maintain the current process for AFSCME involvement in the orientation of new bargaining unit employees.

ARTICLE V. SALARIES AND OTHER COMPENSATION

Section A. Salaries:

1. Cost of Living Adjustments
 - a. Salaries in effect on June 30, 2026 shall be increased by three point eight percent (3.8%) effective July 1, 2026.
 - b. Salaries in effect on June 30, 2027 shall be increased by three point seven percent (3.7%) effective July 1, 2027.
 - c. Salaries in effect on June 30, 2028 shall be increased by three percent (3.0%) effective July 1, 2028.
 - d. The above referenced salary increases have been calculated and are included on the attached salary schedules (Exhibits A 1-3). Due to rounding, the percentage increases are approximate, not exact.

- e. The City will retain a consultant to complete a benchmark Total Compensation Survey with a target completion date of December 31, 2028. In or around October of 2028, the parties will meet with the City's retained survey consultant and review the consultant's recommended survey jurisdictions, benchmark classifications, and survey matches for the revised Total Compensation Survey. The Parties intend the Total Compensation Survey to provide data to inform successor MOU negotiations.

2. Step Advancement:

Unless additional criteria are specified (e.g., longevity steps), advancement between each step in the salary range will require twelve (12) months of actual service at the employee's current salary step, plus a "meets standards" or better performance evaluation.

3. Retention Steps

Step F (5 Years)

Effective the first full pay period following the later of July 1, 2022 or adoption of the MOU by the City Council, the City will add a new Step F to the salary schedule for each bargaining unit classification. Step F will be set approximately 5.0% higher than the existing Step E. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step E), an employee must have completed five (5) years of service in the bargaining unit.

Employees who qualify for Step F as of July 1, 2022 (i.e., have both 5 years of service and 12 months at Step E) will be eligible to advance to Step F on July 1, 2022. For these employees, July 1 will become their new evaluation date. All other employees will be eligible to advance to Step F on their regularly scheduled evaluation date.

b. Step G (10 Years)

Effective the first full pay period following July 1, 2023, the City will add a new Step G to the salary schedule for each bargaining unit classification. Step G will be set approximately 5.0% higher than the existing Step F. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step F), an employee must have completed ten (10) years of service in the bargaining unit.

Employees will be eligible to advance to Step G on their regularly scheduled evaluation date.

c. Step H (15 Years)

Effective the first full pay period following July 1, 2024, the City will add a new Step H to the salary schedule for each bargaining unit classification. Step H will be set approximately 5.0% higher than the existing Step G. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step G), an employee must have completed fifteen (15) years of service in the bargaining unit.

Employees will be eligible to advance to Step H on their regularly scheduled evaluation date.

Section B. Training:

1. Training:

The parties agree that all employees have a responsibility to provide orientation and informal training to new and existing employees.

2. PSC, PRT, CSO Training Pay:

Employees in the classification of Public Safety Communicator (PSC), Police Records Technician (PRT), or Community Service Officer (CSO) who are formally assigned by the Department as a Trainer shall receive training pay of five (5%) percent of base pay during the hours they are actually assigned a trainee. Employees who work overtime while receiving training pay shall be paid out for overtime hours worked and will not bank the training overtime hours as compensatory time off. The training pay will be included in the regular rate of pay for purposes of calculating overtime pay.

The training of employees is done in focused “segment blocks” of 40-120 hours. The PSC, PRT, or CSO assigned as a Trainer and tasked to provide a “segment” of training (minimum of 40 hours) will be paid five (5%) percent of the trainer’s base pay for all of the pay periods where the majority of training hours takes place. If a PSC, PRT, or CSO serving in the role of a Trainer exceeds 120 hours of training time in a pay period, that Trainer will receive five (5%) percent of base for the following pay period.

3. Formal Training Programs:

Employees, except Lead/Senior or Supervisory employees, who are formally assigned by a Department Head as a Trainer for other employees shall receive training pay of five (5%) percent during the hours they are actually assigned a trainee if the Department implements a formal training program equal or comparable to that developed for the PSC, PRT and CSO Trainers. The Department Head retains discretion to assign Trainers.

To be comparable to the PSC, PRT, and CSO training program, training must be done in focused “segment blocks” of 40-120 hours and must meet similar requirements to those programs, including trainer signoff that the trainee has met specific standards. Trainers tasked to provide a “segment” of training (minimum of 40 hours) will be paid five (5%) percent of the base pay for all the pay periods where the majority of training hours takes place. The parties specifically agree that this section shall not apply to informal or ad hoc training programs utilized by departments.

Nothing in this section shall be deemed to require a Department to establish a formal training program or to designate Trainers if such a program is established.

Section C. Retention/Recognition Incentive/Health Reimbursement Arrangement:**1. Retiree Allowance – Eligibility, Amount and Timing**

An Eligible Retiree, as defined below, shall be eligible to receive a Monthly Allowance, also defined below, from the City until reaching the age of sixty-five (65). An “Eligible Retiree” is a Unit employee that satisfies all the following requirements:

- Is at least fifty-five years old.
- Begins collecting a CalPERS pension within ninety (90) days after separation from City of Gilroy service
- Allowance Amount as follows:

Effective Date	Years of Service	Amount of Monthly Payment to Age 65
Hired Prior to 11/1/2005	At least 15 years of FT service	\$15 per year of service to cap of \$200
Hired on or After 11/1/2005	At least 20 years of FT service	\$15 per year of service to cap of \$200
Effective 6/30/2007	At least 25 years of FT service	\$15 per year of service to cap of \$300

- A Unit employee retiring on or after November 1, 2015, must elect to participate in the City’s retiree health reimbursement arrangement.
- Benefits under this section begin the first day of the month following the cessation of City-paid medical benefits. For example, if an employee retires on May 1st and City-paid medical benefits continue through May 31st, the employee will receive his or her first payment under this provision in the month of June. If medical benefits extend to June 30th, then the benefits under this section will begin in the month of July.

2. Eligible Retirees On or After November 1, 2015

The Monthly Allowance for any Unit employee that qualifies as an Eligible Retiree on or after November 1, 2015, including City employees hired or rehired on or after January 1, 2013, shall be made available to the Eligible Retiree under the City’s retiree only health reimbursement arrangement (“Plan”) for the purpose of receiving nontaxable reimbursements of qualifying health care expenses under Sections 105(b) and 213(d) of the Internal Revenue Code.

A condition to receiving the Monthly Allowance and participating in the Plan is the submission of an election form to participate in the Plan. Any monthly administrative fees for the health reimbursement arrangement plan shall be borne by the retiree. An Eligible Retiree retiring on or after November 1, 2015, that does not elect to participate in the Plan will forfeit the Monthly Allowance. Reimbursements from the Plan shall be subject to substantiation that the Eligible Retiree incurred eligible expenses.

Section D. Retirement Plans and Contributions:

The city of Gilroy shall comply with the Public Employee Pension Reform Act (PEPRA)/Assembly Bill 340 (2012) that went into effect on January 1, 2013. PEPRA is a state law that supersedes any conflicting wording that may be contained in this MOU.

Miscellaneous CalPERS Group:

- **Tier One – Miscellaneous Employees Hired Prior to January 1, 2013 and Classic Members of CalPERS Hired on or After January 1, 2013**

The City shall provide the 2.5% at 55 PERS retirement plan for AFSCME employees in the Miscellaneous CalPERS category that qualify as a “classic” member of CalPERS. This applies to employees hired to a full-time position with the city of Gilroy prior to January 1, 2013 or an employee hired to a full-time position with the city of Gilroy on or after January 1, 2013 who qualifies as a “classic” member of CalPERS. Employees in this category shall have a pre-tax payroll deduction of eight (8%) percent consistent with IRC 414(h)(2). One (1) year final compensation (pursuant to CA Government Code Section 20042) is used for employees who retire under this formula. The City pays the employer contribution.

- **Tier Two – Miscellaneous Employees Categorized as “New” CalPERS Members Hired On or After January 1, 2013**

New full-time AFSCME employees in the Miscellaneous CalPERS category hired on or after January 1, 2013 who are classified as a “new” member of CalPERS shall receive the 2% at 62 CalPERS retirement plan. Employees in this category shall have a pre-tax payroll deduction for 50% of the total normal cost of the plan as identified annually by CalPERS. This employee payroll deduction amount may change from year to year as required by PEPRA. Three year final compensation is used for employees who retire under this formula.

The following items are included in the PERS Miscellaneous retirement contract:

- Credit for Unused Sick Leave – pursuant to CA Government Code Section 20965
- 3rd Level 1959 Survivor Benefit – pursuant to CA Government Code Section 21573
- Military Service Credit – pursuant to CA Government Code Section 21024
- Death Benefit – pursuant to CA Government Code Section 21620

Section E. Shift Differential:

Shift differential shall be paid as follows:

1. Shift differential shall be paid only for those shifts which have a majority of their regular hours occurring between 3 PM. and 7 AM.
 - a. If the majority of hours occur between 3 PM and 11 PM (swing shift), the City shall pay an hourly premium of two and one half (2.5%) percent of base pay.
 - b. If the majority of hours occur between 11 PM and 7 AM (graveyard shift), the City shall pay an hourly premium of five (5%) percent of base pay.

2. Employees shall receive overtime compensation for overtime hours worked, not including shift differential. However, shift differential pay shall be included in the pay rate for employees regularly assigned to the swing or graveyard shift for purpose of computing pay for overtime, sick leave, vacation, and other leave benefits.
3. Maintenance Worker I/II/Sr. employees in the Parks & Landscape Section of Public Works Operations shall receive shift differential as follows:
 - a. \$75.00 per month if regularly assigned to and work one weekend (Saturday or Sunday) shift each week of the month.
 - b. \$150.00 per month if regularly assigned to and work two weekend (Saturday and Sunday) shifts each week of the month.

Section F. Tuition Reimbursement:

Effective July 1, 2001, AFSCME members attending accredited community colleges, colleges, trade schools or universities may apply for reimbursement of one hundred percent (100%) of the actual cost of tuition, books, fees, or other student expenses for pre-approved job-related and career development courses. In addition, employees attending city-approved, job related continuing education courses, certification programs, or training conferences may also receive tuition reimbursement for the cost of registration, tuition, books, testing, and/or certifications (including certification renewals). Course work shall be completed on the employee's own time at the employee's own expense. Upon successful completion of the pre-approved class or training program, the employee shall provide all written documentation on allowable costs and completion/grade/certification/score, etc. to their department head and human resources for review and processing. The maximum tuition reimbursement for employees is \$1,000.00 per fiscal year. Reimbursement is contingent upon the successful completion of the course. Successful completion means a grade of "B" or better for undergraduate and graduate courses, full attendance and completion of the training program, and a passing score for non-graded programs that involve certification or testing. All claims for tuition reimbursement require the pre-approval of the employee's department head and the Human Resources Director. Tuition Reimbursement Request Forms are available in the Human Resources Department.

Section G. Overtime:

1. FLSA Workweek – The FLSA workweeks for Unit employees are as follows unless an alternate workweek is designated and approved by the Human Resources Director:
 - a. 5-8 Work Schedule: 12:00 a.m. Monday to 11:59 p.m. Sunday
 - b. 4-10 Work Schedule: 12:00 a.m. Monday to 11:59 p.m. Sunday
 - c. 9/80 Work Schedule: Midpoint of 8-hour workday to one minute prior to midpoint of the following same day of week off (for example, 12:00 p.m. on Friday (working 8 a.m. to 5 p.m. with a one-hour unpaid lunch break on the Friday) to 11:59 a.m. on the following Friday).
 - d. Other workweek designated in writing and approved by the Human Resources Director.

2. Overtime shall be defined as time worked in excess of forty (40) hours per week. All paid time shall be considered hours worked for overtime calculation purposes. Overtime shall be paid at the rate of time and one-half (1.5) in either pay or compensatory time (CTO).
3. In addition, overtime shall be paid for all hours worked in excess of the number of hours in an employee's regular workday. However, an employee and his or her supervisor may agree to "flex" his or her schedule. In this case, an employee may work additional hours on one day and fewer than normal hours on one or more additional days. Any flex time shall be taken in the same workweek as the additional hours. Flex time shall not create a split shift. The employee shall not earn overtime unless the employee's total hours worked exceed forty (40) in that workweek.

In the absence of an employee's agreement to flex time, a supervisor may require the employee to flex his or her schedule to accommodate the City's legitimate operational needs.

4. Each employee shall have the yearly option of accumulating compensatory time off or being paid monthly for overtime accrued during the immediately preceding month. However, employees may not accrue more than eighty (80) hours of CTO in their CTO bank at one time. The Department Heads shall retain the authority of reasonably determining within the best interests of the operation of their respective departments, when accrued CTO may be used by each employee.
5. To address issues related the Doctrine of Constructive Receipt, no later than December 15 of each calendar year, each employee may irrevocably elect the number of overtime hours for which he or she wishes to receive CTO in lieu of pay for the following calendar year. Employees shall earn CTO for all overtime hours worked up to the number of hours elected. All overtime hours worked above the elected number of hours will be paid as overtime, regardless of whether an employee utilizes some or all the accrued CTO as paid leave.
6. This election will be made on a form provided by the City and must be completed and submitted in conformance with the instructions set forth on the form. Failure to make an election prior to the date set forth in this section will result in the employee being paid for all overtime hours worked and the employee will not be eligible for CTO for the calendar year. CTO may not be cashed out except upon separation from employment.

Section H. Stand-by Pay:

Stand-by duty shall be rotated among employees on a seven (7) day basis. Employees on seven (7) day stand-by shall receive ten (10) hours pay at straight time. If an actual (not observed) holiday falls within the seven (7) day stand-by period, the employee shall receive eight (8) hours pay at straight time for being on stand-by on the actual (not observed) City of Gilroy recognized holiday.

The parties understand that stand-by compensation includes pay for incidental work performed while on standby. Examples of incidental work include periodic phone calls, e-mails, and remote monitoring of systems.

An employee receiving standby pay is expected to remain available to return to work and will return to work when called in. However, with approval of the supervisor at least 48 hours in advance, an

employee may substitute for the employee on standby. Such substitution will be treated like a “shift trade” and the employees will be paid as though they worked their scheduled work and standby shifts. Employees will be responsible for any repayment “shift trades.” Substitutions with less than 48 hours’ notice may be approved in emergency circumstances or other situations which could not reasonably have been foreseen (e.g., illness).

Employees on standby duty will be paid at time and one half for work performed after they have returned to the worksite.

Section I. Call Back Pay:

Call back is defined as any unscheduled event occurring after the employee has physically left work that does not continue into or continue after regular duty time. [For example, an employee called back to work one (1) hour prior to his or her regular start time will be paid overtime for the additional hour but will not qualify for callback pay. Similarly, an employee held over at the end of his or her shift will not qualify for callback pay.]

1. Call back shall be paid at a minimum of three (3) hours at time and one-half (1.5). Any time worked beyond the standby minimums will be paid at time and one-half (1.5). Employees called back on an actual (not observed) City of Gilroy recognized holiday will be compensated on the above schedule, but at a double time rate.
2. This provision shall not apply to prescheduled overtime (such as scheduled staff meetings) except that:
 - a. Members of the Communications and Records Units shall be allowed call back pay when called back for scheduled staff meetings; and
 - b. Employees called back to work for pre-scheduled events where a third party reimburses the City for the call back pay shall be paid a minimum of two (2) hours at time and one half. However, if the City does not post the voluntary overtime signup at least fourteen (14) calendar days prior to a pre-scheduled event, employees called back to work for that event shall be paid a minimum of three (3) hours at time and one half.

Any scheduled event/meeting occurring within thirty (30) minutes of the start or end of an employee’s shift will be assumed to be a continuation of regular duty time.

3. The City has the option of holding over employees in lieu of call back for any length of time upon notification to the employee prior to the event/meeting.

Section J. Temporary Upgrade Pay:

1. To qualify for Temporary Upgrade Pay, an employee must be assigned to perform all the duties of a higher classification for ten (10) full working days.
2. Employees who have qualified for Temporary Upgrade Pay in a specific classification shall be paid for each successive day at the rate assigned to the higher classification which represents

the lowest step in the higher classification representing a minimum of five (5%) percent increase over the regular pay.

3. In order to be eligible for Temporary Upgrade Pay, an employee must be assigned by his/her supervisor and approved by his/her Department Head to perform such work. Temporary Upgrade assignments shall be assigned in full day increments.
4. In accordance with Government Code 20480, an employee assigned to work in a Temporary Upgrade assignment may not exceed 960 hours worked in the appointment within a fiscal year if the employee is appointed to an upgraded position or higher classification that is vacant during recruitment for a permanent appointment. This limitation does not apply to a position that is temporarily available due to a leave of absence.

Section K. Certificate/License Pay:

Class A Driver's License Pay: Employees in Public Works Operations, Utilities Operations, and Fleet who are required to obtain and maintain a current CA Class A driver's license shall be paid \$20.00 per month.

Education Incentive Certificate Pay for Employees in Parks & Landscape and Streets/Trees/Stormwater & Drainage Sections of Public Works Operations and Water and Wastewater Sections of Utilities Operations:

For individuals employed on July 1, 2017, the City shall pay the following monthly amounts to individuals holding the following certifications, regardless of Public Works or Utilities Operations work location (Parks & Landscape, Streets//Trees/Stormwater & Drainage, Water, or Wastewater), so long as the individual holds the certification on July 1, 2017 and continues to hold the certification without interruption:

- State of California Water Distribution Operator and CWEA Collection System Maintenance Certifications:

Grade I	\$20.00
Grade II	\$75.00
Grade III	\$125.00
Grade IV	\$150.00

The above pays are not cumulative (e.g., employees holding a Grade IV receive \$150 in license pay)

- Pesticide Advisor - \$20.00
- Qualified Applicator Certificate - \$20.00
- State of CA Water Treatment Operator (any one level) - \$20.00
- AWWA Backflow Prevention Tester - \$20.00
- AWWA Cross Connection Specialist - \$20.00
- Playground Inspection Certification- \$20.00

Effective July 1, 2017, the City shall pay the following monthly amounts to individuals holding the following certifications, when they are assigned to the listed Section:

Parks & Landscape Section:

- Pesticide Advisor Certificate - \$50.00
- Qualified Applicator's Certificate - \$20.00
- Playground Inspection Certificate - \$20.00
- ISA Certified Arborist Certificate - \$250.00

Streets/Trees/Stormwater & Drainage Section:

- CWEA Collection System Maintenance Certifications (this certificate in this Section only applies to those employees hired prior to July 1, 2026, and who hold the certification continuously with no lapse):

Grade I	\$50.00
Grade II	\$150.00
Grade III	\$250.00
Grade IV	\$300.00
- Qualified Applicator's Certificate - \$20.00
- Pesticide Advisor Certificate - \$50.00
- ISA Certified Arborist Certificate - \$250.00

Water Section:

- State of California Water Distribution Operator Certifications:

Grade I	\$50.00
Grade II	\$150.00
Grade III	\$250.00
Grade IV	\$300.00
Grade V	\$400.00
- State of California Water Treatment Operator Certifications:

Grade I	\$20.00
Grade II	\$40.00
Grade III	\$60.00
Grade IV	\$80.00
- AWWA Backflow Prevention Tester - \$20.00
- AWWA Cross Connection Specialist - \$20.00
- Qualified Applicator's Certificate - \$20.00

Wastewater Section:

- CWEA Collection System Maintenance Certifications:

Grade I	\$50.00
Grade II	\$150.00
Grade III	\$250.00
Grade IV	\$300.00
- Qualified Applicator's Certificate - \$20.00

Examples:

1. Employee A holds a Grade III WDO Certification on July 1, 2017 and works in Streets. Employee A continues to receive \$125 for the certification.
2. Employee B earns a Grade III WDO Certification on August 1, 2017 and works in Streets. Employee B does not receive any license pay for the certification.
3. Employee B transfers to the Water Section on September 1, 2017. Employee B will receive \$250/month for the Grade III while working in the Water Section.

It is the responsibility of the employee to obtain and maintain certifications for which they wish to receive, and wish to continue to receive, certification pay. It is the responsibility of the employee to provide their supervisor AND the human resources department a current written certification documenting valid certifications. It is the responsibility of the employee to monitor expiration dates of certifications, as certification pay will terminate if updated valid certification documentation is not provided prior to the expiration of the certification. If certification pay is terminated due to an expired certification, the employee can reapply at a later time to receive the certification pay. Certification pay will begin the first of the month following human resources receipt of valid, documented certification.

The above referenced certificate pay program is further documented on the attached Certificate Pay Chart for Certain Public Works Operations and Utilities Operations Employees – General Unit (Exhibit B).

Section L. Bi-lingual Pay:

1. Employees in the classification/job series of Police Records Technician, Public Safety Communicator, Community Services Officer, and other law enforcement Technician positions who demonstrate the ability to communicate (as a result of a verbal skills test) effectively in both Spanish and English shall receive an additional five (5%) percent of their respective base salaries.
2. Other unit employees are eligible for five (5%) percent bi-lingual pay as follows:
 - a. The City shall determine which employees are needed to serve as interpreters and possess necessary verbal competency in Spanish (via a verbal skills test). The City shall use the following criteria in determining whether or not it is necessary for an employee to serve as an interpreter:
 - i. Very frequent public contact in person and over the phone.
 - ii. The City uses the employee as an interpreter on a daily basis.
 - iii. The employee works in a department with numerous interpretations with Spanish speaking citizens.
 - b. Examples of employee who will qualify for bi-lingual/interpreter status include those encountering the public at the counters in the finance, recreation, and community development departments.
 - c. Employees receiving bilingual pay must provide interpreter services upon request of their supervisor or when contacted by a citizen requiring assistance in Spanish.

3. The City may require any employee receiving bi-lingual pay to re-certify (test) based on observed skill level or lack of use. However, such re-certification shall occur no more than once every two (2) years. This test shall be a verbal skills test.

Section M. Deferred Compensation:

Effective with the pay period beginning July 1, 2020, City will contribute \$30/month to a City deferred compensation plan on behalf of each bargaining unit member. In order to receive the City contribution, each bargaining unit member must be enrolled in one of the City's deferred compensation plans.

ARTICLE VI. INSURANCE PROGRAMS

Section A. Medical and Dental Insurance:

1. City Contributions

The City shall provide a cafeteria program dollar contribution for each bargaining unit employee. The cafeteria plan contribution amount is established as of January 1, 2026 as the plan year for health plan coverage is the calendar year. The City cafeteria contribution amount shall increase by 5% each January 1 of the MOU using the January 1, 2026 amount as the baseline starting point. Any health plan rate increases in excess of the annual City contribution amount each year shall be paid by the employee.

The baseline monthly city cafeteria plan contribution amounts effective as of January 1, 2026 are:

Employee Only	\$939.36
Employee + 1	\$1,859.09
Employee + 2 or more	\$2,480.68

The above contribution amounts include any mandatory PERS PEMHCA contribution and the mandatory Dental Contribution.

2. The contribution amount that the employee qualifies to receive is based upon the number of individuals that the employee enrolls in a medical plan.
3. The employee may purchase other insurance benefits with any remaining contribution amount or through payroll deduction. Some of these benefits may be eligible for a pre-tax deduction. The employee may not waive dental insurance. The employee must enroll himself or herself, along with qualifying dependents, in the Dental plan.
4. Employees waiving medical insurance, or whose medical insurance is less than the City contribution are entitled to the following:

a) Hired prior to July 1, 2026

- Bargaining unit members hired by the City on or before June 30, 2026 who waive medical coverage are entitled to \$939.36 in taxable cash less the medical contribution required by CalPERS and less the dental premium.
- If a bargaining unit member hired by the City on or before June 30, 2026 spends less than the following amounts on medical and dental premiums, the balance will be paid to the employee as taxable cash.

Employee Only	\$939.36
Employee +1 dependent	\$1,859.09
Employee +2 or more	\$2,480.68

b) Hired on or after July 1, 2026

Bargaining unit members who are newly hired by the City on or after July 1, 2026 who waive medical coverage are entitled to \$939.36 in taxable cash less the medical contribution required by CalPERS and less the dental premium. However, the taxable cash paid to an employee in this group after the CalPERS and dental deductions may not exceed \$500.

5. The employee may waive medical coverage under this program and enroll in dental insurance provided they show proof of other medical insurance coverage. If the employee waives medical insurance, then the employee is eligible to receive the employee only contribution in cash less the medical contribution required by CalPERS and less the dental premium subject to the caps listed in a) and b) above. Any cash payments received under this program are taxable.
6. Medical In Lieu:
Pursuant to the *Flores v. City of San Gabriel* case, the City includes the medical in lieu amounts as part of the regular rate of pay for calculating FLSA overtime premiums. The City will cease including medical in lieu as part of the regular rate in the event that it is no longer legally required to do so.

Section B. Life Insurance:

The CITY shall contribute up to \$15.00 per employee per month toward the cost of a one-hundred thousand (\$100,000) dollar life insurance and accidental death & dismemberment insurance policy for unit members.

Section C. Long Term Disability Insurance:

For the term of this Agreement the CITY shall maintain in effect the Long Term Disability Program providing for a maximum ninety (90) day elimination period and payment of sixty (60%) percent of salary to a benefit maximum of no less than five thousand (\$5,000) per month. Employees shall have the option of using accrued paid time to supplement LTD to bring gross wages to 100%.

ARTICLE VII. LEAVES

Leaves shall be as provided for in Section VI, Leaves of Absence, Vacation and Sick Leave, of the Human Resources Rules and Regulations. Vacation and Sick Leave accumulation shall be as follows:

Section A. Vacation Leave:

Every full-time employee who shall have been in the service of the CITY shall accrue vacation as follows:

Completed Years of Service	Mo. Hours Accrued	Yearly Accrual
1 – 5	6.67 Hours	80 hours
6 – 15	10.00 Hours	120 hours
15 +	13.33 Hours	160 hours

Employees will be allowed to maintain a vacation leave balance not to exceed two years' vacation leave. Employees at or above the maximum balance will no longer accrue vacation time until such time that the employee's vacation balance drops below the maximum balance allowed. New employees will be allowed to take earned vacation in the first year subject to the normal approval process.

Section B. Sick Leave:

Employees shall accrue sick leave at the rate of one (1) 8-hour day per month. Sick leave may be used as it accrues. Employees shall accrue sick leave while on paid vacation. A physician's verification of illness may be required.

1. Family Sick Leave

Employees may use sick leave for any leave covered by the Family and Medical Leave Act or the California Family Rights Act, including covered absences to care for a family member. For absences not covered by the Family and Medical Leave Act or the California Family Rights Act, employees shall be allowed up to six months' accrual of sick leave (six days or 50% of the annual accrual) to attend to an illness of a child, parent, spouse, or domestic partner of the employee in accordance with the California Labor Code Section 233 regarding kin care.

2. Sick Leave for Job-Connected Injuries

Employees shall discuss the timing of pre-planned absences with their supervisor. Whenever possible, employees shall schedule partial day absences to minimize

disruption in the workplace. This includes, but is not limited to scheduling appointments after hours, during lunch, or as close to the beginning or end of the workday as possible.

Section C. Personal Leave:

Personal Leave may be used for pre-planned absences in the same manner as vacation. In addition, Personal Leave time may also be used for unforeseen emergencies occurring at the last minute for which the employee could not have planned ahead.

Personal leave hours are not a vested benefit and do not carry over from one fiscal year to the next. Unit members shall receive personal leave hours on July 1 of each fiscal year as follows:

Public Safety Communicators, Police Records Technicians, and any unit member receiving hourly holiday pay	All Other Unit Members
20 hours of personal leave	16 hours of personal leave
0 hours floating holiday	16 hours of floating holiday converted to personal leave (Lincoln's Birthday and Admissions Day)
4 hours of personal leave in recognition of the Christmas Eve Closure	4 hours in recognition of the Christmas Eve Closure
Total Personal Leave Hours per fiscal year = 24 hours	Total Personal Leave Hours per Fiscal Year = 36 hours

Employees hired or terminating during the year shall receive prorated personal leave credit on a quarterly basis. Employee is required to work at least one of half of the quarter to receive the quarterly allocation of personal leave time. Since the bank of personal leave hours is fronted to the employee at the start of the fiscal year, if an employee uses more personal leave hours than would be allocated for the fiscal year based on the date of separation, the employee will change the non-eligible excess hours utilized to another available leave bank other than sick leave.

Section D. Bereavement Leave:

Employees make take up to three (3) days of paid Bereavement Leave within the state and five (5) days of paid Bereavement Leave outside of California for the death of immediate family members, per occurrence. Immediate family members are defined as: Grandmother, Grandfather, Mother, Father, Step-Mother, Step-Father, Mother-in-Law, Father-in-Law, Brother, Sister, Step-Brother, Step-Sister, Husband, Wife, Domestic Partner, Natural Born Child, Adopted Child, and/or Step-Child.

Employees may take up to two (2) additional days off using eligible leave banks for the death of an immediate family member within the state.

For family members not covered in immediate family and people who have a significant relationship with the employee, an unpaid leave of absence can be taken with the approval of the City Administrator. The City Administrator's decision is final and not subject to appeal.

This section supersedes the language concerning Bereavement Leave in the HR Rules and Regulations.

Section E. Holidays:

1. The legal holidays observed by the City shall include:

- New Year's Day
- Martin Luther King Day
- Washington's Birthday
- March 31st
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- The day following Thanksgiving and
- Christmas Day

When a regular holiday falls on Sunday, the following Monday shall be granted as a day off; and when a regular holiday falls on Saturday, the preceding Friday shall be granted as a day off.

Additional paid holidays to those provided in the Human Resources Rules and Regulations and this agreement may be granted if declared by the Gilroy City Council.

2. Holiday Pay:

- a. Any employee, other than employees in the classifications of Police Records Technician, and Public Safety Communicator required to work on any holiday shall receive eight (8) hours of straight time pay for the holiday and time and one-half (1.5) for any hours actually worked on the holiday.
- b. If a City observed holiday falls on the regular day off for an employee in any job classification other than the classifications of Police Records Technician and Public Safety Communicator, that employee shall arrange with their supervisor to take an alternate day off during the same pay period in which the observed holiday occurred.
- c. Employees in the classifications of Police Records Technician and Public Safety Communicator assigned to work holidays shall receive holiday pay at the rate of 6% of the employee's base monthly salary.

Section F. Christmas Eve Mandatory Closure:

City offices and all non-essential operations shall be closed on the workday immediately preceding the Christmas Day Holiday. However, this is not a holiday and employees will be required to use either paid or unpaid leave to cover their absence on this day. Employees shall designate, at least two weeks prior to the mandatory closure, what leave time the employee will use to cover this day by following the normal time off request process established in the department.

Employees called back to work on the mandatory closure day shall receive call back pay per Article V, Section J contained in this MOU. Employees assigned to stand by duty shall receive stand by pay per Article V, Section I contained in this MOU.

Department Heads retain the discretion to determine if there are department staffing needs for the mandatory closure and shall announce this to the affected employees by no later than the last working day in November. Ideally, staffing will be achieved by employees who request to work on this day and then based on seniority. The schedule shall be posted as soon as possible following the end of November announcement and by no later than the end of the first full week in December. Employees who work on the mandatory closure day shall log their time as regular hours worked at straight time. Schedule flexing shall not be permitted on this day.

All City Hall employees shall participate in the mandatory closure as the City Hall building will be closed on this date.

This mandatory closure does not apply to Police Department Records and Communication Unit employees.

Community Services Officers normally scheduled to work on this day shall follow their normal work schedule and may request time off per the normal time off procedures.

All other Police Department administrative support staff shall participate in the mandatory closure.

Section G. No Use of Leave to Extend Retirement or Separation Date:

Employees are required to be present at work during the entire two workweeks preceding their retirement or other planned separation from City employment (e.g. resignation to accept new position). Employees may not use accrued leave time to extend their employment.

ARTICLE VIII. MISCELLANEOUS

Section A. Uniforms:

1. Unit members in the Police Department shall receive uniform allowance paid monthly in the amount of \$41.67 per month payable to the classifications of Police Records Technicians I & II, Property & Evidence Technician, Community Services Officer, and Public Safety Communicator. Newly hired employees in these classifications shall receive an initial uniform allowance of two hundred and fifty (\$250) dollars.

2. The City will provide a voucher or reimburse field employees who are required to wear safety shoes in the normal course of his or her duties for one (1) pair of safety shoes per year up to a maximum of \$200 per pair. For those employees required to wear safety shoes who are not working in the field on a regular (daily/weekly) basis, the City will provide a voucher or reimbursement for one (1) pair of safety shoes every two years up to a maximum of \$200 per pair. The employee is required to wear the shoes at all times when applicable duties are performed.
3. The City will provide a voucher or reimburse employees in the Code Enforcement Officer classification and employees in the Public Works and Utilities Operations Divisions for a second pair of safety shoes each year up to a maximum of \$200 per pair. In addition, employees in the Engineering Technician/Inspector classification may request reimbursement for a second pair of safety shoes each year on an as needed basis. Upon request, the Engineering Technician/Inspector's Department Head or designee will evaluate the condition of the safety shoes to determine whether they need to be replaced. At the discretion of the Department Head/designee, the City will reimburse the Engineering Technician/Inspector for up to a maximum of \$200 for the purchase of a second pair of safety shoes.
4. Public Works and Utilities field employees and Facilities employees shall be supplied, by the City, with an allocation sufficient to purchase five (5) shirts and patches, five (5) pants, and three (3) work hats per year. These shall be of a quality similar to a Ben Davis brand. The annual per employee fiscal year maximum Uniform allotment for Public Works and Utilities Operations is \$375.00.
 - a. If an employee can physical show their manager that they have five (5) shirts, five (5) pants, and three (3) hats in good condition, once approved by the manager, the employee can use their uniform allocation for other, non-core uniform items on the approved list. If an employee only needs two (2) pants, two (2) shirts, and one (1) hat to achieve the core allocation noted above, once approve, the employee can use the remaining uniform allotment amount to purchase other, non-core uniform items on the approved list. Absent the manager's approval to purchase alternate uniform items, the employee shall be required to select the core uniform items (five (5) shirts, five (5) pants, and three (3) hats).
 - b. Substitutions and modifications may be made by the Uniform Committee made up of Public Works and Utilities field employees. Newly hired employees in these classifications shall receive an initial allocation sufficient to purchase five (5) shirts and patches, five (5) pants, three (3) work hats, one (1) all-weather jacket, one (1) sweatshirt, one (1) belt, and five (5) short-sleeved shirts.
 - c. This first fiscal year annual maximum uniform allotment for each newly hired Public Works and Utilities Operations employee is \$620.00.
 - d. The goal of standardized uniforms for field operations personnel is to present a consistent and neat image to the public we serve.
5. The City shall annually (fiscal year) supply Public Works Engineering and Community Development field employees (Building Inspectors, Code Enforcement Officers, Hazardous Materials Inspectors, and Engineering Technician/Inspectors) with five (5) polo style shirts bearing an approved city logo in a brand and color approved by the City (brand and color to be approved only after taking input on the style and color from the affected employees). The

designated employees shall wear the supplied shirts each day at work with pants (khakis or jeans appropriate for work being performed) consistent with the negotiated dress code. The annual allotment for the 5 shirts provided to each employee in specified classifications in Community Development and Engineering in Community Development is \$200. If an employee can demonstrate to the they have 5 Polo Shirts in very good condition City is willing to permit employees to use the residual uniform allowance for other approved City-branded apparel (e.g., a jacket, vest, hat, etc.). Pants are excluded from the uniform reimbursement and may not be purchased with the employee's allotment.

6. The City will report the above referenced uniform allotment to CalPERS on a monthly basis. The initial fiscal year allotment for newly hired employees shall be determined by the number of remaining payroll periods in the fiscal year and will then shift to the regular allotment method in the next fiscal year.
7. Fleet employees shall be provided, by the City through a laundry rental service, five shirts and five pants per week.

Section B. Safe Workplace Commitment:

The CITY shall furnish employment and a place of employment which is safe and healthful for the worker therein and shall conform to and comply with all health, safety, and sanitation requirements imposed by State or Federal law or regulations adopted under State or Federal law.

Section C. Safety Committee:

The UNION shall be entitled to appoint two members to the CITY's Safety Committee.

Section D. Tool Allowance:

The CITY agrees to provide all workers with the tools and equipment necessary to perform their jobs and shall maintain same in a safe and healthful condition. This shall not apply to the Equipment Mechanic classes. (See Exhibit C, Mechanic's Tool Policy).

An annual "tool allowance" shall be distributed in July to reimburse the affected employee for wear, adjustment, and other consumable expenses to be used at the discretion of the individual employee. The tool allowance schedule is as follows:

Senior Equipment Mechanic	\$600.00 annually
Equipment Mechanic	\$600.00 annually

Pursuant to CalPERS regulations, tool allowance is non-PERSable compensation.

Section E. Contracting Out:

- (1) Except for temporary contracts (less than one year) or contracts to fill an immediate need (such as a vacant full-time position), the CITY will notify the UNION if it intends to contract out the functions currently performed by employees within the unit. Upon request, at the initiation of the contract and whenever the contract is up for renewal, the CITY will meet with the UNION (including employees with knowledge of the work to be contracted) to explain the reason for the decision to contract out and to solicit UNION views on the proposal, including possibilities for cost savings. Nothing in this section shall be construed to limit the rights of the City Council to contract out work in its sole discretion. Nor shall any meeting under this section meetings delay the City Council's adoption of any contract.
- (2) Nothing in this section shall be construed to limit the rights of the City Council, in its sole discretion, to enter into temporary contracts (less than one year) or contracts to fill an immediate need (such as a vacant full-time position). Such contracts shall not be subject to the provisions of Paragraph (1), above.
- (3) This section shall not apply to part-time hiring or to temporary or provisional appointments, which shall continue to occur at the City's sole discretion.

Section F. Union Leave:

1. UNION Officers (maximum of 7) shall be allowed to utilize a cumulative total of one hundred and twenty (120) hours per fiscal year of release time for UNION business and attendance of UNION related functions including, but not limited to meetings, seminars, and schools. Release time shall be granted subject to minimum staffing requirements of the Department and is subject to Department Head and/or City Administrator approval.

UNION officers shall be provided with a reasonable amount of release time to meet with CITY management personnel on:

- a) Grievances
 - i. One (1) designated UNION representative is allowed time off without loss of compensation for purposes of representing an employee in a meeting with City representatives relative to an employee grievance.
 - ii. One (1) designated UNION representative is allowed time off without loss of compensation for the purpose of discussing or investigating a grievance with an employee.
 - b) Issues raised by City Management involving CITY/UNION business. The UNION President and/or a designee will have release time without loss of compensation for the purpose of conducting formal meetings with City Management personnel. Release time must be scheduled in advance with the President's or designee's supervisor.
 - c) Other mutually acceptable reasons.
2. Designated employee representatives shall be provided with release time to participate in formal meet and confer sessions with the CITY. When the meeting is a formal meet and confer

session regarding the negotiation of an MOU, such release time shall not be charged to the one hundred and twenty (120) hours time bank described in paragraph 1 above.

3. UNION Representatives who are scheduled to work between the hours of 5:00 pm and 7:40 am shall be released from duty at least 8 hours prior to any scheduled meetings with the City/Department representatives concerning matters within the scope of representation.
4. UNION representatives shall request permission to use release time as far in advance as reasonably possible. Supervisors will not unreasonably deny requests for release.
5. UNION will provide the CITY a list of all officers, stewards, and representatives.

Section G. City-Paid Meal:

Employees shall be provided a meal at CITY expense if the employee is required to work two or more hours over their normal work shift in a single working day. Subject work must also conform to the overtime approval requirement. If the City does not provide a meal, employees shall be reimbursed fifteen dollars (\$15.00) for the cost of a meal. No receipt will be required. Overtime meal reimbursements shall be documented on the employee's time sheet/time report and shall be paid with the following payroll as a taxable reimbursement consistent with IRS Regulations (see IRS regulation 15-B, 2013).

Section H. Employee Commitment:

In consideration of the fair and reasonable provisions of this Memorandum of Understanding, employees represented by the Gilroy Employee's Association, through their elected representatives, do hereby make the following pledges to the City of Gilroy:

1. Employee shall make every effort to minimize CITY costs on an on-going basis by encouraging optimum amount of work production from each of its members.
2. Employees shall cooperate in every reasonable way to properly maintain and protect CITY property, equipment, and facilities.
3. Employees shall adhere to all Human Resources Rules and Regulations. Specific attention shall be given to those regulations dealing with sick leave, time off, breaks and punctuality. Every effort shall be made to maintain a good public image for each and all CITY employees. This is to be accomplished by maintaining good work habits and keeping busy at productive work during regular working hours.
4. Employees shall use and follow safe working procedures in their day-to-day work routines. Each employee shall point out to his/her fellow workers any observed unsafe condition or work procedure. Any observed unsafe condition or situation shall be immediately reported by employees to their supervisor. The intent here is to protect fellow workers from any unnecessary injury and the CITY from any potential liability.
5. Employees shall make a special and continuing effort to maintain good and constructive relations with the general public, fellow employees, and CITY officials. Every effort will be

made to be considerate and understanding of the other person's point of view, misunderstanding or problem.

6. The Gilroy Employee's Association shall assume a leadership role in carrying out the above pledges.

Section I. Probationary Period:

With the exception of classifications of Public Safety Communicator and Senior Public Safety Communicator, newly hired employees will serve a twelve (12) month probationary period. The classifications of Public Safety Communicator and Senior Public Safety Communicator shall serve an eighteen (18) month probationary period. The probationary period for promotions of permanent employees shall be six (6) months.

Section J. Residency Requirements:

Employees in the Public Works and Utilities Operations Sections of Water, Wastewater, Parks & Landscape, and Streets/Trees/Stormwater & Drainage required to participate in on-call/stand-by work shall be subject to the following requirements:

1. Employees hired on or after July 1, 1989 shall be required to live, within one (1) year from date of hire, within sixty (60) minutes normal driving time from City Hall. Normal driving time shall be defined as driving the most direct route at the posted speed limit.
2. Employees hired prior to July 1, 1989 living within the sixty (60) minute limit shall be subject to this rule. Current employees living outside the sixty (60) minute limit shall not move outside their present driving radius but may move within it.

Section K. Eyeglass Replacement:

Once per year (per employee), the CITY shall repair or replace eyeglasses damaged due to the employee's work provided that:

1. The damage was not due to negligence on the employee's part; and
2. The damage was not due to a defect(s) or wear on the glasses.

City-paid repair or replacement shall be limited to a maximum of one-hundred and fifty dollars (\$150) per incident, per year.

Section L. Layoff Policy:

The CITY and UNION have agreed to a layoff policy as contained in the Human Resources Rules and Regulations.

Section M. Employee Assistance Program:

The Employee Assistance Program shall provide for at least ten (10) visits per calendar plan year.

Section N. Grievance and Disciplinary Action:

Bargaining unit members must utilize the Grievance Procedure contained in this article rather than the Human resources Rules and Regulations for any grievances involving the interpretation, application, or alleged violation of this memorandum of understanding. However, any appeal of disciplinary action shall be made pursuant to Section V of the Human Resources Rules and Regulations and not pursuant to this grievance procedure.

Grievance Procedure:

An employee shall have the right to present a grievance pursuant to this procedure. The employee may be represented by the Association or an individual of the employee's choice at the formal steps of this grievance procedure (excluding Step 1). If the representative is a fellow employee, that employee will receive time off from his or her work assignment for the time of the grievance meeting or hearing plus reasonable travel time. Forty-eight hours prior to the grievance meeting, the employee shall inform the Human Resources Department whether he or she will be represented at the grievance meeting and identify the representative. Grievances are defined as an alleged violation, misinterpretation, or misapplication of this Memorandum of Understanding.

The procedure is not to be used for the following purposes:

1. Resolving complaints, requests or changes in wages, hours and working conditions.
2. To challenge the content of employee evaluations or performance reviews.
3. To challenge a reclassification, layoff, transfer, denial of reinstatement, or denial of a step or merit increase.
 - a. EXCEPTION: Pursuant to the Miscellaneous and Supervisory Units MOU's, employees in these units may appeal the denial of a merit step increases to the City Administrator.
4. In cases of oral reprimand, written reprimand, reduction in pay, demotion, suspensions, or termination.
5. To challenge violation of law or past practice.
6. To challenge examinations or appointment to positions.

Grievances shall be in writing, dated and signed by the employee and presented to his/her supervisor. Grievances must be submitted within ten (10) calendar days of the occurrence, or the employee's knowledge of the occurrence, which gives rise to the grievance. All grievances must clearly state the section of the Memorandum of Understanding that the employee alleges was violated, misinterpreted or misapplied; the specific act or omission which gave rise to this alleged violation, misinterpretation or misapplication; the date or dates on which the violation, misinterpretation or misapplication occurred; what documents, witnesses or other evidence support the employee's position; and the remedy requested.

- Step 1. Initially, all employee grievances should be directed to the immediate supervisor for solution.
- Step 2. In the event the immediate supervisor meeting does not resolve the grievance within ten (10) calendar days, the supervisor, at the employee's request, shall present the matter to the next level of supervision within the department concerned. That supervisor and any higher-level supervisor(s) in the department's normal chain of command shall attempt to resolve the grievance. Each level of supervisor shall respond in writing to the grievant within ten (10) calendar days of receipt of the grievance. If the grievance is not resolved at a level below Department Head, the supervisor immediately subordinate to the Department Head, at the employee's request, shall present the matter to the Department Head. This presentation shall be made in the presence of the employee. The employee shall be allowed adequate time to present his/her side of the matter.
- Step 3. In the event the grievance is not adequately resolved within ten (10) calendar days at the Department Head level, the employee may submit the grievance to the City Administrator which submission shall, include the responses received from the supervisors and the Department Head.
- Step 4. If the grievance is not resolved within ten (10) calendar days at the City Administrator level, the employee or the City Administrator shall notify the Human Resources Director who shall gather the written facts and present them to the Personnel Commission at its next regular meeting. The Personnel Commission (in accordance with Section 907, of the City Charter) shall hear this matter and report its findings within ten (10) calendar days, to the City Council for review. The action of the City Council shall be final.

The hearing before the Personnel Commission may be conducted informally and the rules of evidence need not apply. The hearing shall be conducted in an orderly manner with a presentation of all material facts so that a fair and impartial decision may be made. The Commission Chairperson shall have full authority at all times to maintain orderly procedure and to restrict the hearing to facts relevant to the complaint. In hearing the appeal, the Commission may require the employee (appellant) to first present his/her grievance; followed by the immediate supervisor for presentation of his/her attempts to resolve the grievance; followed by the Department Head for presentation of his/her attempts to resolve the grievance; followed by the City Administrator for presentation of his/her attempts to resolve the grievance. All involved parties may be entitled to counsel if they so desire. The appellant will bear the expense of his/her own counsel.

The Human Resources Department will provide a checklist to be used in order to ensure that each grievance is dealt with in timely and proper manner. The checklist will be initiated by a supervisor when he/she is first presented with a grievance and will be forwarded along with the grievance and all responses thereto to each succeeding step in the process until a final resolution is obtained. Each succeeding level of authority in this procedure shall refuse to hear the matter unless the preceding step of the procedure has been observed.

Section O. Bulletin Boards, Mail, and E-mail:

1. The UNION may install at its own expense bulletin boards of reasonable size and construction as approved by the CITY. Bulletin boards shall be placed in locations approved by the CITY; they may be used for official Union bulletins but may not be used to post inflammatory or defamatory material. Pre-approval by the City may be required of any material proposed to be posted by the Union.
2. Subject to pre-approval by the Director of Human Resources, the UNION may utilize interoffice mail and electronic mail for the distribution of information. The UNION understands that information sent through the CITY'S servers will be subject to review under applicable CITY policies and may be subject to disclosure to the public.

Section P. Donation of Vested Time:

Employees may donate vacation hours, personal leave hours, or compensatory time off hours under the Catastrophic Leave Donation Program outlined in the Gilroy Human Resources Rules and Regulations. Employees may not donate sick leave.

Section Q. Human Resources Files:

At any time during normal working hours, an employee may make an appointment to review their Human Resources file. Employees will be allowed to see their Human Resources file in the presence of a Human Resources representative. An employee's representative may review an employee's personnel file in the presence of a Human resources representative upon presentation of a written release from the employee.

Section R. Labor Management Committee:

The City and Union have formed a Labor Management Committee to address issues of importance in labor management relations between the parties. Either party may request that the Committee meet by submitting a written request identifying the specific issue(s) to be discussed. Typically, two representatives shall be appointed by each party.

The Committee will not have the authority to add to, amend, or modify this MOU. However, mutually acceptable recommendations of the Committee may be implemented, after any required meet and confer process.

Section S. Employee Performance Appraisal:

1. Additional Review

If comments are added to an Appraisal by any manager above the level of the supervisor who signs the Appraisal, a copy of the Appraisal (including any additional comments) shall be routed to the employee prior to the EPA being delivered to the Human Resources Department.

2. Appeal

Unit employees shall be allowed to appeal any Employee Performance Appraisal with an overall rating of less than satisfactory to the City Administrator. There shall be no other form of appeal.

Section T. Equal Employment Opportunity:

The CITY and AFSCME are committed to providing equal employment opportunities for all employees and applicants. Further, the CITY and AFSCME are committed to the elimination of any barriers which restrict women, minorities and the disabled from receiving equal treatment in any aspect of employment. The parties understand that the City may have a legal imperative to act in a manner inconsistent with this agreement or the Human Resources Rules and Regulations. For example, the City may have to accommodate a disabled employee by placing that employee in a particular position without performing a recruitment.

Section U. Alternate Work Schedules:

The City departments may, in the department heads discretion, establish alternative work schedules. If established:

1. Overtime shall be payable for hours worked in excess of the regular workday.
2. Time off shall be earned as if the employee was working a regular work schedule (i.e. eight (8) hours for one (1) day). Time off shall be charged based on the number of hours in the workday missed (i.e. an employee on a 4/10 schedule will be charged ten (10) hours for each day missed on vacation, sick leave, etc.) Employees on alternate work schedules of more than eight (8) hours taking a holiday off shall be required to supplement their eight (8) hours of holiday pay in order to receive payment for the full day.

Section V. DMV Pull Notice Program:

Employees who have the opportunity to operate motorized vehicles on city business are required to be safe drivers and operate vehicles in a safe manner. Employees, who have the opportunity to operate vehicles on city business, must possess and maintain a valid California driver's license appropriate for the job and vehicle(s) to be operated. Employees who have the opportunity to operate motorized vehicles while on duty must also either: (1) enroll in the City's department of motor vehicles employer pull-notice program, or (2) provide the city with periodic updates of his or her driving record.

1. If an employee enrolls in the DMV employer pull notice program, the employee must fill out a City-specified enrollment form directing the DMV to provide the City with periodic updates of the employee's driving record.
2. If an employee elects not to enroll in the DMV employer pull notice program, the employee is responsible for providing the City with periodic updates of the employee's driving

record. These updates shall be provided annually during the month of January and every time the employee receives a citation or other entry on his or her driving record which impacts his or her ability to operate a motor vehicle while on duty, including but not limited to the revocation or temporary suspension of the employee's drivers' license.

Section W. Payroll Date and Direct Deposit:

Employees are paid monthly on the first City Hall working day of the month unless an earlier date is designated by the City for a particular month. The City will notify the Association prior to implementing the bi-weekly payroll calendar as part of the implementation of the new ERP.

All unit employees shall enroll in direct deposit within sixty (60) days of employment. Employees shall maintain direct deposit. Employees needing an exception to direct deposit shall submit a request stating the reasons for the exception in writing to the Human Resources Director for consideration. The decision of the Human Resources Director shall be final.

Section X. Change of Work Schedule (Public Safety Communicators):

In the event of a long-term vacancy (i.e., longer than one full work week), the employee who selected the swing shift ("bump shift") will be assigned to the vacant shift to ensure adequate coverage. Except in cases of emergency or unforeseen circumstances that may require immediate staffing adjustments, employees shall be provided no less than seven (7) calendar days' notice prior to the reassignment.

It is recognized that schedules may be altered to facilitate shift changes, changes in assigned days off between shift changes, training requirements, special operations, or emergency situations, including the long-term illness or disability on the part of department members.

ARTICLE IX. PEACEFUL PERFORMANCE

During the life of this Agreement, no work stoppages, strikes, slowdowns, or picketing shall be caused or sanctioned by the UNION, and no lockouts shall be made by the City of Gilroy.

In the event that any employees covered by this Agreement, individually or collectively, violate the provisions of this article and the UNION fails to exercise good faith in halting the work interruption, the UNION and the employees involved shall be deemed in violation of this article and the CITY shall be entitled to seek all remedies available to it under applicable law.

ARTICLE X. REINSTATEMENT

The City shall have the option of reinstating employees who resigned in good standing and to reinstate accrued sick leave and seniority for salary step and leave accrual purposes. This Article can also apply when an employee is laid off and within two years of the employee's layoff date is hired back to a new job classification.

ARTICLE XI. REOPENERS

1. Upon request by the City, the City and Union will reopen the MOU to negotiate implementation of a bi-weekly payroll system and to address other changes related to payroll system implementation. The parties' intention is to develop a bi-weekly pay calendar that will result in employees receiving a portion of their pay earlier in the month.
2. In the event the Employer contribution required by CalPERS for any year cover by the MOU exceeds the estimates in CalPERS' 2016 actuarial valuation, the City and Union will reopen the contract to negotiate changes to address the rate increases.
3. Upon request by the City, the City and Union will reopen negotiations on revised Human Resources Rules and Regulations to address any substantive changes to the Human Resources Rules and Regulations.
4. Upon request by the City, the City and Union will reopen negotiations on revised Drug and Alcohol Testing Policy to address any changes within the scope of representation.
5. The City will continue the practice of including the Union in the review cycle for the issuance of new procedures or for making changes to existing procedures that impact terms and conditions of employment.
6. Upon request by the City, the City and Union will reopen negotiations on a revised Employer-Employee Relations Resolution to address any substantive changes to the Employer-Employee Relations Resolution.

ARTICLE XII. FULL UNDERSTANDING

This Memorandum of Understanding is the result of the parties' good faith meeting and conferring pursuant to the MMBA and sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

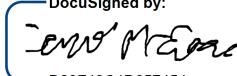
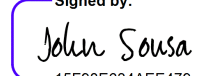
It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its rights to negotiate and agrees that the other party shall not be required to negotiate with respect to any matter covered herein during the term of this Memorandum of Understanding. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this agreement. Where this MOU conflicts with the Human Resources Rules and Regulations, the terms of this MOU shall control.

ARTICLE XIII. SAVINGS PROVISION

If any provisions of this Memorandum of Understanding are held to be contrary to law by a court of competent jurisdiction or invalidated by state or federal law, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect. Should the State of California adopt legislation forbidding or economically penalizing the CITY for granting any compensation increases called for in this agreement, the compensation increase shall be suspended. The CITY and Association shall meet and confer regarding any suspended compensation increases.

ARTICLE XIV. TERM

This Memorandum of Understanding represents the entire Agreement between the CITY and UNION on subjects contained herein and shall become in full force and effect on July 1, 2026 unless otherwise noted and shall continue in full force and effect until Midnight June 30, 2029. The UNION shall provide the CITY with its proposals for the period beginning July 1, 2029 no later than February 1, 2029. The parties agree to begin the meet and confer process by February 28, 2029.

For the City of Gilroy:	For Gilroy, AFSCME, Local 101
Signature/Date	Signature/Date
Matt Morley, City Administrator	DocuSigned by:  7/22/2026 D28F43C4D657454... Carol McEwan, AFSCME Business Agent
Charles Sakai, Labor Negotiations Legal Counsel	Signed by:  7/22/2026 93DD2019EF0242C... Jon Shouse, President
LeeAnn McPhillips, Special Assistant - Human Resources & Risk Management	Signed by:  7/22/2026 15F98E634AEE479... John Sousa, Vice-President
John Doughty, Public Works Director	

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,035.58 132,427	11,587.50 139,050	12,166.75 146,001	12,775.17 153,302	13,413.75 160,965	14,084.58 169,015	14,788.75 177,465	15,528.17 186,338
Assistant Engineer	8536	10,032.33	10,534.08	11,060.67	11,613.75	12,194.33	12,804.17	13,444.33	14,116.50
Environmental Engineer	8538	120,388	126,409	132,728	139,365	146,332	153,650	161,332	169,398
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,082.25	9,536.33	10,013.08	10,513.75	11,039.42	11,591.42	12,171.00	12,779.50
Planner II	8513	108,987	114,436	120,157	126,165	132,473	139,097	146,052	153,354
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	8,727.83 104,734	9,164.17 109,970	9,622.42 115,469	10,103.33 121,240	10,608.67 127,304	11,139.00 133,668	11,696.00 140,352	12,280.75 147,369
Building Inspector II	8521	8,641.42 103,697	9,073.50 108,882	9,527.17 114,326	10,003.58 120,043	10,503.67 126,044	11,028.83 132,346	11,580.25 138,963	12,159.33 145,912
Public Safety Communicator	8634	8,471.08 101,653	8,894.58 106,735	9,339.42 112,073	9,806.33 117,676	10,296.75 123,561	10,811.58 129,739	11,352.08 136,225	11,919.67 143,036
Engineering Technician/Inspector III	8532	8,304.33 99,652	8,719.33 104,632	9,155.33 109,864	9,613.17 115,358	10,093.75 121,125	10,598.58 127,183	11,128.50 133,542	11,684.92 140,219
Accountant	8552	8,222.00	8,633.08	9,064.75	9,517.92	9,993.92	10,493.58	11,018.25	11,569.17
Building Inspector I	8520	98,664	103,597	108,777	114,215	119,927	125,923	132,219	138,830
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	7,517.58 90,211	7,893.67 94,724	8,288.33 99,460	8,702.67 104,432	9,137.83 109,654	9,594.75 115,137	10,074.50 120,894	10,578.25 126,939
Accounting Technician II	8554	7,296.58	7,661.50	8,044.50	8,446.75	8,869.08	9,312.50	9,778.17	10,267.00
Senior Facilities Maintenance Specialist	8507	87,559	91,938	96,534	101,361	106,429	111,750	117,338	123,204
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,152.83 85,834	7,510.42 90,125	7,885.92 94,631	8,280.33 99,364	8,694.25 104,331	9,129.08 109,549	9,585.58 115,027	10,064.92 120,779
Information Technology Technician II	8561	6,942.58 83,311	7,289.50 87,474	7,654.00 91,848	8,036.75 96,441	8,438.58 101,263	8,860.50 106,326	9,303.58 111,643	9,768.75 117,225

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	6,805.75	7,145.92	7,503.25	7,878.50	8,272.42	8,686.00	9,120.33	9,576.33
Sr. Maintenance Worker - Parks & Landscape	8504	81,669	85,751	90,039	94,542	99,269	104,232	109,444	114,916
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	6,671.58 80,059	7,005.00 84,060	7,355.33 88,264	7,723.25 92,679	8,109.25 97,311	8,514.83 102,178	8,940.50 107,286	9,387.50 112,650
Accounting Technician I	8553	6,605.50	6,935.83	7,282.58	7,646.67	8,029.00	8,430.50	8,852.00	9,294.58
Facilities Maintenance Specialist	8505	79,266	83,230	87,391	91,760	96,348	101,166	106,224	111,535
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,475.42 77,705	6,799.17 81,590	7,139.00 85,668	7,496.00 89,952	7,870.83 94,450	8,264.33 99,172	8,677.50 104,130	9,111.42 109,337
Water Operator	8544								
Community Coordinator	8547	6,411.17	6,731.75	7,068.42	7,421.75	7,792.83	8,182.58	8,591.58	9,021.25
Community Engagement Coordinator	8549	76,934	80,781	84,821	89,061	93,514	98,191	103,099	108,255
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,284.83	6,599.17	6,929.08	7,275.58	7,639.42	8,021.33	8,422.42	8,843.50
Information Technology Technician I	8560	75,418	79,190	83,149	87,307	91,673	96,256	101,069	106,122
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,039.67 72,476	6,341.67 76,100	6,658.75 79,905	6,991.58 83,899	7,341.17 88,094	7,708.25 92,499	8,093.75 97,125	8,498.33 101,980
Accounting Assistant II	8605	5,979.92 71,759	6,278.83 75,346	6,592.83 79,114	6,922.42 83,069	7,268.58 87,223	7,632.00 91,584	8,013.50 96,162	8,414.17 100,970
PW Maintenance Worker II	8564	5,861.92	6,155.17	6,462.92	6,785.92	7,125.33	7,481.67	7,855.75	8,248.58
Utilities Maintenance Wrkr II	8565	70,343	73,862	77,555	81,431	85,504	89,780	94,269	98,983
Senior Custodian	8509	5,804.08 69,649	6,094.25 73,131	6,398.83 76,786	6,718.92 80,627	7,054.83 84,658	7,407.67 88,892	7,778.08 93,337	8,167.00 98,004

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	5,689.75 68,277	5,974.25 71,691	6,272.75 75,273	6,586.58 79,039	6,915.75 82,989	7,261.50 87,138	7,624.67 91,496	8,005.83 96,070
Community Services Officer	8632	5,633.33 67,600	5,915.08 70,981	6,210.75 74,529	6,521.25 78,255	6,847.33 82,168	7,189.58 86,275	7,549.08 90,589	7,926.50 95,118
Accounting Assistant I	8604	5,413.50 64,962	5,684.17 68,210	5,968.42 71,621	6,266.67 75,200	6,580.25 78,963	6,909.08 82,909	7,254.58 87,055	7,617.25 91,407
PW Maintenance Worker I	8562	5,306.83	5,572.25	5,850.92	6,143.33	6,450.42	6,772.83	7,111.50	7,467.08
Utilities Maintenance Worker I	8563	63,682	66,867	70,211	73,720	77,405	81,274	85,338	89,605
Recreation Specialist	8548								
Office Assistant II	8601	5,150.83	5,408.42	5,678.75	5,962.67	6,260.67	6,573.83	6,902.50	7,247.67
Police Records Technician I	8608	61,810	64,901	68,145	71,552	75,128	78,886	82,830	86,972
Custodian	8506	4,999.25 59,991	5,249.25 62,991	5,511.75 66,141	5,787.17 69,446	6,076.75 72,921	6,380.42 76,565	6,699.42 80,393	7,034.42 84,413
Office Assistant I	8600	4,662.92 55,955	4,896.08 58,753	5,140.83 61,690	5,397.92 64,775	5,667.92 68,015	5,951.17 71,414	6,248.75 74,985	6,561.17 78,734

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,443.92 137,327	12,016.25 144,195	12,616.92 151,403	13,247.83 158,974	13,910.08 166,921	14,605.75 175,269	15,335.92 184,031	16,102.75 193,233
Assistant Engineer	8536	10,403.50	10,923.83	11,469.92	12,043.50	12,645.50	13,277.92	13,941.75	14,638.83
Environmental Engineer	8538	124,842	131,086	137,639	144,522	151,746	159,335	167,301	175,666
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,418.33	9,889.17	10,383.58	10,902.75	11,447.92	12,020.33	12,621.33	13,252.33
Planner II	8513	113,020	118,670	124,603	130,833	137,375	144,244	151,456	159,028
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	9,050.75 108,609	9,503.25 114,039	9,978.42 119,741	10,477.17 125,726	11,001.17 132,014	11,551.17 138,614	12,128.75 145,545	12,735.17 152,822
Building Inspector II	8521	8,961.17 107,534	9,409.25 112,911	9,879.67 118,556	10,373.75 124,485	10,892.33 130,708	11,436.92 137,243	12,008.75 144,105	12,609.25 151,311
Public Safety Communicator	8634	8,784.50 105,414	9,223.67 110,684	9,685.00 116,220	10,169.17 122,030	10,677.75 128,133	11,211.58 134,539	11,772.08 141,265	12,360.67 148,328
Engineering Technician/Inspector III	8532	8,611.58 103,339	9,041.92 108,503	9,494.08 113,929	9,968.83 119,626	10,467.25 125,607	10,990.75 131,889	11,540.25 138,483	12,117.25 145,407
Accountant	8552	8,526.25	8,952.50	9,400.17	9,870.08	10,363.67	10,881.83	11,425.92	11,997.25
Building Inspector I	8520	102,315	107,430	112,802	118,441	124,364	130,582	137,111	143,967
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	7,795.75 93,549	8,185.75 98,229	8,595.00 103,140	9,024.67 108,296	9,475.92 113,711	9,949.75 119,397	10,447.25 125,367	10,969.67 131,636
Accounting Technician II	8554	7,566.58	7,945.00	8,342.17	8,759.25	9,197.25	9,657.08	10,140.00	10,646.92
Senior Facilities Maintenance Specialist	8507	90,799	95,340	100,106	105,111	110,367	115,885	121,680	127,763
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,417.50 89,010	7,788.33 93,460	8,177.67 98,132	8,586.67 103,040	9,015.92 108,191	9,466.83 113,602	9,940.25 119,283	10,437.33 125,248
Information Technology Technician II	8561	7,199.50 86,394	7,559.25 90,711	7,937.17 95,246	8,334.08 100,009	8,750.83 105,010	9,188.33 110,260	9,647.83 115,774	10,130.17 121,562

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	7,057.58	7,410.33	7,780.83	8,170.00	8,578.50	9,007.42	9,457.75	9,930.67
Sr. Maintenance Worker - Parks & Landscape	8504	84,691	88,924	93,370	98,040	102,942	108,089	113,493	119,168
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	6,918.42	7,264.17	7,627.50	8,009.00	8,409.33	8,829.92	9,271.33	9,734.83
		83,021	87,170	91,530	96,108	100,912	105,959	111,256	116,818
Accounting Technician I	8553	6,849.92	7,192.50	7,552.00	7,929.58	8,326.08	8,742.42	9,179.50	9,638.50
Facilities Maintenance Specialist	8505	82,199	86,310	90,624	95,155	99,913	104,909	110,154	115,662
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,715.00	7,050.75	7,403.17	7,773.33	8,162.08	8,570.08	8,998.58	9,448.50
Water Operator	8544	80,580	84,609	88,838	93,280	97,945	102,841	107,983	113,382
Community Coordinator	8547	6,648.42	6,980.83	7,329.92	7,696.33	8,081.17	8,485.33	8,909.50	9,355.00
Community Engagement Coordinator	8549	79,781	83,770	87,959	92,356	96,974	101,824	106,914	112,260
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,517.33	6,843.33	7,185.50	7,544.75	7,922.08	8,318.08	8,734.08	9,170.75
Information Technology Technician I	8560	78,208	82,120	86,226	90,537	95,065	99,817	104,809	110,049
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,263.17	6,576.33	6,905.08	7,250.25	7,612.75	7,993.42	8,393.25	8,812.75
		75,158	78,916	82,861	87,003	91,353	95,921	100,719	105,753
Accounting Assistant II	8605	6,201.17	6,511.17	6,836.75	7,178.58	7,537.50	7,914.42	8,310.00	8,725.50
		74,414	78,134	82,041	86,143	90,450	94,973	99,720	104,706
PW Maintenance Worker II	8564	6,078.83	6,382.92	6,702.08	7,037.00	7,389.00	7,758.50	8,146.42	8,553.75
Utilities Maintenance Wrkr II	8565	72,946	76,595	80,425	84,444	88,668	93,102	97,757	102,645
Senior Custodian	8509	6,018.83	6,319.75	6,635.58	6,967.50	7,315.83	7,681.75	8,065.83	8,469.17
		72,226	75,837	79,627	83,610	87,790	92,181	96,790	101,630

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	5,900.25 70,803	6,195.33 74,344	6,504.83 78,058	6,830.25 81,963	7,171.67 86,060	7,530.17 90,362	7,906.75 94,881	8,302.08 99,625
Community Services Officer	8632	5,841.75 70,101	6,133.92 73,607	6,440.58 77,287	6,762.50 81,150	7,100.67 85,208	7,455.58 89,467	7,828.42 93,941	8,219.75 98,637
Accounting Assistant I	8604	5,613.83 67,366	5,894.50 70,734	6,189.25 74,271	6,498.50 77,982	6,823.75 81,885	7,164.75 85,977	7,523.00 90,276	7,899.08 94,789
PW Maintenance Worker I	8562	5,503.17	5,778.42	6,067.42	6,370.67	6,689.08	7,023.42	7,374.67	7,743.33
Utilities Maintenance Worker I	8563	66,038	69,341	72,809	76,448	80,269	84,281	88,496	92,920
Recreation Specialist	8548								
Office Assistant II	8601	5,341.42	5,608.50	5,888.83	6,183.25	6,492.33	6,817.08	7,157.92	7,515.83
Police Records Technician I	8608	64,097	67,302	70,666	74,199	77,908	81,805	85,895	90,190
Custodian	8506	5,184.25 62,211	5,443.50 65,322	5,715.67 68,588	6,001.33 72,016	6,301.58 75,619	6,616.50 79,398	6,947.33 83,368	7,294.67 87,536
Office Assistant I	8600	4,835.42 58,025	5,077.25 60,927	5,331.08 63,973	5,597.67 67,172	5,877.67 70,532	6,171.33 74,056	6,479.92 77,759	6,803.92 81,647

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)**

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,787.25 141,447	12,376.75 148,521	12,995.42 155,945	13,645.25 163,743	14,327.42 171,929	15,043.92 180,527	15,796.00 189,552	16,585.83 199,030
Assistant Engineer	8536	10,715.58	11,251.58	11,814.00	12,404.83	13,024.83	13,676.25	14,360.00	15,078.00
Environmental Engineer	8538	128,587	135,019	141,768	148,858	156,298	164,115	172,320	180,936
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,700.92	10,185.83	10,695.08	11,229.83	11,791.33	12,380.92	13,000.00	13,649.92
Planner II	8513	116,411	122,230	128,341	134,758	141,496	148,571	156,000	163,799
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	9,322.25 111,867	9,788.33 117,460	10,277.75 123,333	10,791.50 129,498	11,331.17 135,974	11,897.67 142,772	12,492.58 149,911	13,117.25 157,407
Building Inspector II	8521	9,230.00 110,760	9,691.50 116,298	10,176.08 122,113	10,685.00 128,220	11,219.08 134,629	11,780.00 141,360	12,369.00 148,428	12,987.50 155,850
Public Safety Communicator	8634	9,048.00 108,576	9,500.42 114,005	9,975.58 119,707	10,474.25 125,691	10,998.08 131,977	11,547.92 138,575	12,125.25 145,503	12,731.50 152,778
Engineering Technician/Inspector III	8532	8,869.92 106,439	9,313.17 111,758	9,778.92 117,347	10,267.92 123,215	10,781.25 129,375	11,320.50 135,846	11,886.42 142,637	12,480.75 149,769
Accountant	8552	8,782.00	9,221.08	9,682.17	10,166.17	10,674.58	11,208.25	11,768.67	12,357.17
Building Inspector I	8520	105,384	110,653	116,186	121,994	128,095	134,499	141,224	148,286
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	8,029.58 96,355	8,431.33 101,176	8,852.83 106,234	9,295.42 111,545	9,760.17 117,122	10,248.25 122,979	10,760.67 129,128	11,298.75 135,585
Accounting Technician II	8554	7,793.58	8,183.33	8,592.42	9,022.00	9,473.17	9,946.83	10,444.17	10,966.33
Senior Facilities Maintenance Specialist	8507	93,523	98,200	103,109	108,264	113,678	119,362	125,330	131,596
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,640.00 91,680	8,022.00 96,264	8,423.00 101,076	8,844.25 106,131	9,286.42 111,437	9,750.83 117,010	10,238.42 122,861	10,750.42 129,005
Information Technology Technician II	8561	7,415.50 88,986	7,786.00 93,432	8,175.25 98,103	8,584.08 103,009	9,013.33 108,160	9,464.00 113,568	9,937.25 119,247	10,434.08 125,209

AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	7,269.33	7,632.67	8,014.25	8,415.08	8,835.83	9,277.67	9,741.50	10,228.58
Sr. Maintenance Worker - Parks & Landscape	8504	87,232	91,592	96,171	100,981	106,030	111,332	116,898	122,743
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	7,126.00	7,482.08	7,856.33	8,249.25	8,661.58	9,094.83	9,549.50	10,026.92
		85,512	89,785	94,276	98,991	103,939	109,138	114,594	120,323
Accounting Technician I	8553	7,055.42	7,408.25	7,778.58	8,167.50	8,575.83	9,004.67	9,454.92	9,927.67
Facilities Maintenance Specialist	8505	84,665	88,899	93,343	98,010	102,910	108,056	113,459	119,132
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,916.42	7,262.25	7,625.25	8,006.50	8,406.92	8,827.17	9,268.50	9,731.92
Water Operator	8544	82,997	87,147	91,503	96,078	100,883	105,926	111,222	116,783
Community Coordinator	8547	6,847.83	7,190.25	7,549.83	7,927.25	8,323.58	8,739.92	9,176.75	9,635.67
Community Engagement Coordinator	8549	82,174	86,283	90,598	95,127	99,883	104,879	110,121	115,628
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,712.83	7,048.67	7,401.08	7,771.08	8,159.75	8,567.67	8,996.08	9,445.83
Information Technology Technician I	8560	80,554	84,584	88,813	93,253	97,917	102,812	107,953	113,350
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,451.08	6,773.58	7,112.25	7,467.75	7,841.17	8,233.25	8,645.08	9,077.17
		77,413	81,283	85,347	89,613	94,094	98,799	103,741	108,926
Accounting Assistant II	8605	6,387.17	6,706.50	7,041.83	7,393.92	7,763.67	8,151.83	8,559.33	8,987.25
		76,646	80,478	84,502	88,727	93,164	97,822	102,712	107,847
PW Maintenance Worker II	8564	6,261.17	6,574.42	6,903.17	7,248.08	7,610.67	7,991.25	8,390.83	8,810.33
Utilities Maintenance Wrkr II	8565	75,134	78,893	82,838	86,977	91,328	95,895	100,690	105,724
Senior Custodian	8509	6,199.42	6,509.33	6,834.67	7,176.50	7,535.33	7,912.17	8,307.83	8,723.25
		74,393	78,112	82,016	86,118	90,424	94,946	99,694	104,679

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)**

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	6,077.25 72,927	6,381.17 76,574	6,700.00 80,400	7,035.17 84,422	7,386.83 88,642	7,756.08 93,073	8,143.92 97,727	8,551.17 102,614
Community Services Officer	8632	6,017.00 72,204	6,317.92 75,815	6,633.83 79,606	6,965.42 83,585	7,313.67 87,764	7,679.25 92,151	8,063.25 96,759	8,466.33 101,596
Accounting Assistant I	8604	5,782.25 69,387	6,071.33 72,856	6,374.92 76,499	6,693.42 80,321	7,028.50 84,342	7,379.67 88,556	7,748.67 92,984	8,136.08 97,633
PW Maintenance Worker I	8562	5,668.25	5,951.75	6,249.42	6,561.75	6,889.75	7,234.08	7,595.92	7,975.67
Utilities Maintenance Worker I	8563	68,019	71,421	74,993	78,741	82,677	86,809	91,151	95,708
Recreation Specialist	8548								
Office Assistant II	8601	5,501.67	5,776.75	6,065.50	6,368.75	6,687.08	7,021.58	7,372.67	7,741.33
Police Records Technician I	8608	66,020	69,321	72,786	76,425	80,245	84,259	88,472	92,896
Custodian	8506	5,339.75 64,077	5,606.83 67,282	5,887.17 70,646	6,181.33 74,176	6,490.67 77,888	6,815.00 81,780	7,155.75 85,869	7,513.50 90,162
Office Assistant I	8600	4,980.50 59,766	5,229.58 62,755	5,491.00 65,892	5,765.58 69,187	6,054.00 72,648	6,356.50 76,278	6,674.33 80,092	7,008.00 84,096

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

AFSCME, LOCAL 101, GENERAL UNIT
CERTIFICATE PAY CHART – EXHIBIT B
JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT

Parks & Landscape Section – Public Works				Streets/Trees/Stormwater & Drainage Section – Public Works			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00
CWEA Collection System Maintenance Grade I, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	Qualified Applicator's Certificate	\$20.00	CWEA Collection System Maintenance Grade I, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	CWEA Collection System Maintenance Grade I, 2, 3, or 4 <i>(ONLY APPLICABLE TO EMPLOYEES HIRED PRIOR TO 7/1/2026 WITH NO LAPSE-SEE MOU)</i>	1 = \$50.00 2 = \$150.00 3 = \$250.00 4 = \$300.00
AWWA Backflow Prevention Tester	\$20.00	Playground Inspection Certification	\$20.00	AWWA Backflow Prevention Tester	\$20.00	Qualified Applicator's Certificate	\$20.00
State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	Pesticide Advisor Certification	\$50.00	State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	Pesticide Advisor Certification	\$50.00
State of CA Water Treatment Operator (any level)	\$20.00	ISA Certified Arborist	\$250.00	State of CA Water Treatment Operator (any level)	\$20.00	ISA Certified Arborist	\$250.00
AWWA Cross Connection Specialist	\$20.00			AWWA Cross Connection Specialist	\$20.00		
Qualified Applicator's Certificate	\$20.00			Qualified Applicator's Certificate	\$20.00		

**AFSCME, LOCAL 101, GENERAL UNIT
CERTIFICATE PAY CHART – **EXHIBIT B**
JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT**

Parks & Landscape Section – Public Works				Streets/Trees/Stormwater & Drainage Section – Public Works			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Playground Inspection Certification	\$20.00			Playground Inspection Certification	\$20.00		
Pesticide Advisor Certification	\$20.00			Pesticide Advisor Certification	\$20.00		

Water – Utilities				Wastewater - Utilities			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00
CWEA Collection System Maintenance Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	State of CA Water Distribution Operator Grade 1, 2, 3, 4, or 5	1 = \$50.00 2 = \$150.00 3 = \$250.00 4 = \$300.00 5 = \$400.00	CWEA Collection System Maintenance Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	CWEA Collection System Maintenance Grade 1, 2, 3, or 4	1 = \$50.00 2 = \$150.00 3 = \$250.00 4 = \$300.00
AWWA Backflow Prevention Tester	\$20.00	AWWA Backflow Prevention Tester	\$20.00	AWWA Backflow Prevention Tester	\$20.00	Qualified Applicator's Certificate	\$20.00

AFSCME, LOCAL 101, GENERAL UNIT
 CERTIFICATE PAY CHART – **EXHIBIT B**
 JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT

Water – Utilities				Wastewater - Utilities			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	State of CA Water Treatment Operator 1, 2, 3, or 4	1 = \$20.00 2 = \$40.00 3 = \$60.00 4 = \$80.00	State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00		
State of CA Water Treatment Operator (any level)	\$20.00	AWWA Cross Connection Specialist	\$20.00	State of CA Water Treatment Operator (any level)	\$20.00		
AWWA Cross Connection Specialist	\$20.00	Qualified Applicator's Certificate	\$20.00	AWWA Cross Connection Specialist	\$20.00		
Qualified Applicator's Certificate	\$20.00			Qualified Applicator's Certificate	\$20.00		
Playground Inspection Certification	\$20.00			Playground Inspection Certification	\$20.00		
Pesticide Advisor Certification	\$20.00			Pesticide Advisor Certification	\$20.00		

MECHANIC'S TOOL POLICY
PUBLIC WORKS DEPARTMENT, EQUIPMENT MAINTENANCE
DIVISION

Within the Public Works Department, Equipment Maintenance Division, the following classifications are required to provide tools of the trade as condition and requirement of employment:

Senior Equipment Mechanic

Equipment Mechanic

Assistant Mechanic

The Department determines minimum tool requirements based upon individual job descriptions and the current fleet composition. Criteria used in determining whether a specific tool should be supplied by the organization or be required of the employee includes cost, frequency of use, and securement of the item and generally follows the accepted standards of the industry. For all job descriptions the minimum requirements generally consist of the following:

- ☐ Locking mobile storage cabinet.
- ☐ 1/2", 3/8" and 1/4" drive sockets, both American and metric sizes (less than 1" or 21mm) with related ratchets and extensions.

PAGE 1

- ☐ Combination end wrenches both American and metric sizes (less than 1" or 21mm).
- ☐ Set of basic Allen wrenches, or sockets.
- ☐ Various screw drivers; Phillips, straight, and Torx tips.
- ☐ 1/2" drive torque wrench of either the "click" or "dial" type of sufficient quality and accuracy.
- ☐ Wire cutters and crimping tool for small gauge wire.
- ☐ Various hammers, punches, and chisels.
- ☐ Electrical test light. Tire pressure gauge and valve stem tool.
- ☐ 10 foot tape measure. Spark plug gap tool.
- ☐ Oil filter wrench, battery terminal tools.

Other various tools required to perform job duties safely and efficiently.

In addition to the above listed items, the position of EQUIPMENT MECHANIC AND SENIOR EQUIPMENT MECHANIC generally require the following:

- ☐ Expanded set of sockets to include flex head and deep well type.
- ☐ Basic automotive brake tools, including various bleeder wrenches and spring tools.
- ☐ Various distributor wrenches.
- ☐ Digital VOLT-OHM meter.

PAGE 2

- ☐ Measuring devices such as calipers and thickness gauges.
- ☐ Various snap-ring retainer pliers.
- ☐ 1/2" and 3/8" drive air impact tools, 3/8" air ratchet.
- ☐ Various impact sockets.
- ☐ Flair nut or tubing wrenches.

Other various tools required to perform job duties safely and efficiently.

LOSS CONTROL:

A Department representative shall maintain a master inventory list for each affected employee. The list shall be updated at least annually by the respective employee and signed by the supervisor. Employees shall retain receipts until items have been added to the Department's file. All tools may be inspected by the Department to assure that they are of sufficient quality and condition which will provide safe, damage free usage. Tools which are deemed of poor condition, quality, inappropriate, or an unnecessary risk to the City may be rejected from the respective employee's inventory and require the employee to remove said item from the workplace.

The employee shall be responsible for the safe operation and usage of his/her tools. Moreover, the employee shall be responsible for the securement and protection against loss or theft during his/her on duty hours. The City of Gilroy shall provide

PAGE 3

safe keeping for the employees tools during off duty hours, and provide loss replacement in the event of theft, fire, or other destructive loss following guidelines and stipulations: The employee shall provide a sufficient lockable secure tool box in which all of the employees tools and supplies will be placed prior to leaving the workplace. Storage additions to the primary tool box (i.e. side cabinets, top boxes, additional drawer sections, etc.) shall be bolted or otherwise affixed, which will in effect create a "single secure" tool center, hereafter referred to as a "toolbox".

Replacement from damage as a result of fire or natural disaster will be on an "Item for Item" basis with a zero deductible expense to the employee. Total theft or loss (Whole Loss) of an employee's toolbox and contents shall be replaced on an "Item for Item" basis with zero deductible to the employee. Theft or disappearance of an individual item(s) shall not be reimbursed by the CITY unless such loss is the result of, and evident of, a forceable entry (break-in) to an employee's locked toolbox. All claims for replacement or reimbursement shall be processed by the City's Risk Manager at the request of the employee and Department.

An annual "tool allowance" shall be distributed to reimburse the affected employee for wear, adjustment, and other consumable expenses to be used at the discretion of the individual employee. The tool allowance schedule will become effective, July

1, 1994 as follows:

Senior Equipment Mechanic

\$250 annually

Equipment Mechanic

\$250 annually

Assistant Mechanic

\$175 annually

PAGE 5

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF GILROY

AND

AFSCME, AFL-CIO, LOCAL 101

GILROY CHAPTER

SUPERVISORY UNIT

JULY 1, 2026 – JUNE 30, 2029

TABLE OF CONTENTS
AFSCME, LOCAL 101
SUPERVISORY UNIT MOU

<u>ARTICLE/SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>
ARTICLE I	PARTIES TO THE AGREEMENT	1
ARTICLE II	RECOGNITION AND SCOPE	1
ARTICLE III	CITY RIGHTS	1
Section A	In General	1
Section B	Rights Enumerated	1
Section C	Employee Grievances Not Impaired	2
Section D	Consultations with Union	2
ARTICLE IV	UNION RIGHTS	2
Section A	Union Security	2
Section B	Information	3
Section C	Employee Orientation	3
ARTICLE V	SALARIES AND OTHER COMPENSATION	3
Section A	Salaries	3
Section B	Retention/Recognition Incentive/Health Reimbursement Arrangement	5
Section C	Retirement Plans and Contributions	5
Section D	Shift Differential	6
Section E	Tuition Reimbursement	7
Section F	Overtime	7
Section G	Stand-By Pay	8
Section H	Call Back Pay	9
Section I	Temporary Upgrade Pay	9
Section K	Certificate/License Pay	10
Section L	Bi-Lingual Pay	12
Section M	Deferred Compensation	13
ARTICLE VI	INSURANCE PROGRAMS	13
Section A	Medical and Dental Insurance	13
Section B	Life Insurance	14
Section C	Long Term Disability Insurance	14
ARTICLE VII	LEAVES	15
Section A	Vacation Leave	15
Section B	Sick Leave	15
Section C	Personal Leave	15
Section D	Bereavement Leave	16
Section E	Holidays	16
Section F	Christmas Eve Mandatory Closure	17
<u>ARTICLE/SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>

TABLE OF CONTENTS
AFSCME, LOCAL 101
SUPERVISORY UNIT MOU

Section G	No Use of Leave to Extend Retirement or Separation Date	18
ARTICLE VIII	MISCELLANEOUS	18
Section A	Uniforms	18
Section B	Safe Work Place Commitment	19
Section C	Safety Committee	19
Section D	Contracting Out	19
Section E	Union Leave	20
Section F	City-Paid Meal	21
Section G	Employee Commitment	21
Section H	Probationary Period	22
Section I	Residency Requirements	22
Section J	Eyeglass Replacement	22
Section K	Layoff Policy	22
Section L	Employee Assistance Program	22
Section M	Grievance and Disciplinary Action	23
Section N	Bulletin Boards, Mail, and E-mail	24
Section O	Donation of Vested Time	25
Section P	Human Resources File	25
Section Q	Labor Management Committee	25
Section R	Employee Performance Appraisal	25
Section S	Equal Employment Opportunity	26
Section T	Alternate Work Schedules	26
Section U	DMV Pull Notice Program	26
Section V	Payroll Date and Direct Deposit	27
26	PEACEFUL PERFORMANCE	27
ARTICLE X	REINSTATEMENT	27
ARTICLE XI	REOPENERS	27
ARTICLE XII	FULL UNDERSTANDING	28
ARTICLE XIII	SAVINGS PROVISION	28
ARTICLE XIV	TERM	29

EXHIBITS

Exhibit A (1-3)	Salary Tables - Supervisory Unit	3 pages
Exhibit B	Certificate/License Pay Chart - Supervisory Unit	3 pages

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF GILROY
AND
AFSCME, AFL, CIO, LOCAL 101
GILROY CHAPTER
SUPERVISORY UNIT
JULY 1, 2026 - JUNE 30, 2029

ARTICLE I. PARTIES TO THE AGREEMENT

This Memorandum of Understanding is jointly prepared and executed by representatives of the City of Gilroy (hereinafter CITY) and the Gilroy Employee Association affiliated with the American Federation of State, County, and Municipal Employees (AFSCME), Local 101, AFL-CIO (hereinafter UNION) for presentation to, and consideration by, the City Council of CITY. It shall not be binding until ratified by the UNION and adopted by the City Council.

ARTICLE II. RECOGNITION AND SCOPE

CITY hereby recognizes UNION as the recognized employee organization for purposes of Government Code 3500 *et seq.* and the Employer-Employee Relations Policy of CITY (City Council Resolution 85-25). Such recognition shall extend only to the representation of employees holding permanent positions in the Supervisory Unit.

ARTICLE III. CITY RIGHTS

Section A. In General:

All CITY rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with CITY.

Section B. Rights Enumerated:

Nothing in this Agreement shall be construed to restrict any legal or inherent exclusive CITY rights with respect to matters of general legislative or managerial policy which include but are not limited to: the exclusive right to determine the mission of its constituent sections; set standards of selection for

employment and promotion; train, direct and assign its employees; require overtime work; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of CITY operations; determine the methods, means and personnel by which CITY operations are to be conducted; determine the content of job classifications; take all necessary actions to prepare for and carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. CITY has the right to make reasonable rules and regulations pertaining to employees consistent with this Agreement.

Section C. Employee Grievances Not Impaired:

1. The exercise of CITY management rights shall not preclude a grievant from presenting a grievance in accordance with the Human Resources Rules and Regulations, concerning an adverse effect of the exercise of such rights upon employee; provided, however, the basic right of management to act hereunder or make decisions is unimpaired.
2. Notwithstanding paragraph 1, above, bargaining unit members must utilize the Grievance Procedure contained in Article VIII (P) of the MOU rather than the Human Resources Rules and Regulations for any grievances involving the interpretation, application, or alleged violation of this memorandum of understanding.

Section D. Consultations with Union:

This Agreement is not intended to restrict the right of CITY to consult with UNION regarding matters within the right of CITY to determine. However, the parties understand that such consultation shall not create any obligation to meet and confer over issues not within the scope of representation.

Pursuant to MMBA Section 3504, the scope of representation shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

ARTICLE IV. UNION RIGHTS

Section. A Union Security:

1. An employee in one of the classes included in the Unit may at any time execute a payroll deduction authorization form ("Deduction Authorization Form") as furnished by AFSCME.
2. AFSCME will be custodian of records for such Deduction Authorization Form and will provide the City with a certification that it has and will maintain an authorization, signed by the individual from whose salary or wages the deduction or reduction is to be made. AFSCME shall not be required to provide the City a copy of the employee's authorization unless a dispute arises about the existence or terms of the authorization. However, AFSCME will provide the City with a certification document for each employee with sufficient information to allow the City to identify the appropriate level of deductions.

3. The City shall begin deductions in the amount prescribed by AFSCME in the first full payroll period after receipt of written certification of employee authorization from AFSCME if received on or before the 20th of the month. Otherwise, the deduction will begin the following month.
4. The City shall direct employee requests to cancel or change deductions to AFSCME and shall rely on information provided by AFSCME regarding whether deductions for an employee organization were properly canceled or changed.
5. Consistent with state law, AFSCME shall indemnify and save harmless the City, its officers and employees, for (1) any claims made by an employee for deductions made in reliance on AFSCME's certification regarding a Deduction Authorization Form and (2) any claims made by an employee for deductions made in reliance on information provided by AFSCME regarding changes or cancellations to the deduction authorization.
6. The Union shall have the right to use City conference rooms and meeting facilities on the same basis as other governmental organizations. Use of non-public areas shall require prior authorization by the Department Head or designee. All requests for use of facilities shall be made through the Human Resources Director.

Section. B Information:

The City agrees to provide the Union with names of new hires within the bargaining unit on a timely basis. The City will continue to provide the Union with a monthly report, including Employee Name, Department, Wages, and Deduction Amount.

Section. C Employee Orientation:

City and AFSCME have agreed to maintain the current process for AFSCME involvement in the orientation of new bargaining unit employees.

ARTICLE V. SALARIES AND OTHER COMPENSATION

Section A. Salaries:

1. Cost of Living Adjustments
 - a. Salaries in effect on June 30, 2026 shall be increased by three point eight percent (3.8%) effective July 1, 2026.
 - b. Salaries in effect on June 30, 2027 shall be increased by three point seven percent (3.7%) effective July 1, 2027.
 - c. Salaries in effect on June 30, 2028 shall be increased by three percent (3.0%) effective July 1, 2028.
 - d. The above referenced salary increases have been calculated and are included on the attached salary schedules (Exhibit A-3). Due to rounding, the percentage increases are approximate, not exact.

- e. The City will retain a consultant to complete a benchmark Total Compensation Survey with a target completion date of December 31, 2028. In or around October of 2028, the parties will meet with the City's retained survey consultant and review the consultant's recommended survey jurisdictions, benchmark classifications, and survey matches for the revised Total Compensation Survey. The Parties intend the Total Compensation Survey to provide data to inform successor MOU negotiations.

2. Step Advancement:

Unless additional criteria are specified (e.g., longevity steps), advancement between each step in the salary range will require twelve (12) months of actual service at the employee's current salary step, plus a "meets standards" or better performance evaluation.

3. Retention Steps

Step F (5 Years)

Effective the first full pay period following the later of July 1, 2022 or adoption of the MOU by the City Council, the City will add a new Step F to the salary schedule for each bargaining unit classification. Step F will be set approximately 5.0% higher than the existing Step E. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step E), an employee must have completed five (5) years of service in the bargaining unit.

Employees who qualify for Step F as of July 1, 2022 (i.e., have both 5 years of service and 12 months at Step E) will be eligible to advance to Step F on July 1, 2022. For these employees, July 1 will become their new evaluation date. All other employees will be eligible to advance to Step F on their regularly scheduled evaluation date.

b. Step G (10 Years)

Effective the first full pay period following July 1, 2023, the City will add a new Step G to the salary schedule for each bargaining unit classification. Step G will be set approximately 5.0% higher than the existing Step F. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step F), an employee must have completed ten (10) years of service in the bargaining unit.

Employees will be eligible to advance to Step G on their regularly scheduled evaluation date.

c. Step H (15 Years)

Effective the first full pay period following July 1, 2024, the City will add a new Step H to the salary schedule for each bargaining unit classification. Step H will be set approximately 5.0% higher than the existing Step G. In addition to the normal requirements for Step Advancement (12 months of "meets standards" or better performance at Step G), an employee must have completed fifteen (15) years of service in the bargaining unit.

Employees will be eligible to advance to Step H on their regularly scheduled evaluation date.

Section B. Retention/Recognition Incentive/Health Reimbursement Arrangement

1. Retiree Allowance – Eligibility, Amount and Timing

An Eligible Retiree, as defined below, shall be eligible to receive a Monthly Allowance, also defined below, from the City until reaching the age of sixty-five (65). An “Eligible Retiree” is a Unit employee that satisfies all the following requirements:

- Is at least fifty-five years old.
- Begins collecting a CalPERS pension within ninety (90) days after separation from City of Gilroy service
- Allowance Amount as follows:

Effective Date	Years of Service	Amount of Monthly Payment to Age 65
Hired Prior to 11/1/2005	At least 15 years of FT service	\$15 per year of service to cap of \$200
Hired on or After 11/1/2005	At least 20 years of FT service	\$15 per year of service to cap of \$200
Effective 6/30/2007	At least 25 years of FT service	\$15 per year of service to cap of \$300

- A Unit employee retiring on or after November 1, 2015, must elect to participate in the City’s retiree health reimbursement arrangement.
- Benefits under this section begin the first day of the month following the cessation of City-paid medical benefits. For example, if an employee retires on May 1st and City-paid medical benefits continue through May 31st, the employee will receive his or her first payment under this provision in the month of June. If medical benefits extend to June 30th, then the benefits under this section will begin in the month of July.

2. Eligible Retirees On or After November 1, 2015

The Monthly Allowance for any Unit employee that qualifies as an Eligible Retiree on or after November 1, 2015, including City employees hired or rehired on or after January 1, 2013, shall be made available to the Eligible Retiree under the City’s retiree only health reimbursement arrangement (“Plan”) for the purpose of receiving nontaxable reimbursements of qualifying health care expenses under Sections 105(b) and 213(d) of the Internal Revenue Code.

A condition to receiving the Monthly Allowance and participating in the Plan is the submission of an election form to participate in the Plan. Any monthly administrative fees for the health reimbursement arrangement plan shall be borne by the retiree. An Eligible Retiree retiring on or after November 1, 2015, that does not elect to participate in the Plan will forfeit the Monthly Allowance. Reimbursements from the Plan shall be subject to substantiation that the Eligible Retiree incurred eligible expenses.

Section C. Retirement Plans and Contributions:

The city of Gilroy shall comply with the Public Employee Pension Reform Act (PEPRA)/Assembly Bill 340 (2012) that went into effect on January 1, 2013. PEPRA is a state law that supersedes any conflicting wording that may be contained in this MOU.

Miscellaneous CalPERS Group:

- **Tier One – Miscellaneous Employees Hired Prior to January 1, 2013 and Classic Members of CalPERS Hired on or After January 1, 2013**

The City shall provide the 2.5% at 55 PERS retirement plan for AFSCME employees in the Miscellaneous CalPERS category that qualify as a “classic” member of CalPERS. This applies to employees hired to a full-time position with the city of Gilroy prior to January 1, 2013 or an employee hired to a full-time position with the city of Gilroy on or after January 1, 2013 who qualifies as a “classic” member of CalPERS. Employees in this category shall have a pre-tax payroll deduction of eight (8%) percent consistent with IRC 414(h)(2). One (1) year final compensation (pursuant to CA Government Code Section 20042) is used for employees who retire under this formula. The City pays the employer contribution.

- **Tier Two – Miscellaneous Employees Categorized as “New” CalPERS Members Hired On or After January 1, 2013**

New full-time AFSCME employees in the Miscellaneous CalPERS category hired on or after January 1, 2013 who are classified as a “new” member of CalPERS shall receive the 2% at 62 CalPERS retirement plan. Employees in this category shall have a pre-tax payroll deduction for 50% of the total normal cost of the plan as identified annually by CalPERS. This employee payroll deduction amount may change from year to year as required by PEPRA. Three year final compensation is used for employees who retire under this formula.

The following items are included in the PERS Miscellaneous retirement contract:

- Credit for Unused Sick Leave – pursuant to CA Government Code Section 20965
- 3rd Level 1959 Survivor Benefit – pursuant to CA Government Code Section 21573
- Military Service Credit – pursuant to CA Government Code Section 21024
- Death Benefit – pursuant to CA Government Code Section 21620

Section D. Shift Differential:

Shift differential shall be paid as follows:

1. Shift differential shall be paid only for those shifts which have a majority of their hours occurring between 3 PM and 7 AM.
 - a. If the majority of hours occur between 3 PM and 11 PM (swing shift), the City shall pay an hourly premium of two and one half (2.5%) percent of base pay.

- b. If the majority of hours occur between 11 PM and 7 AM (graveyard shift), the City shall pay an hourly premium of five (5%) percent of base pay.
2. Employees shall receive overtime compensation for overtime hours worked, not including shift differential. However, shift differential pay shall be included in the pay rate for employees regularly assigned to the swing or graveyard shift for purpose of computing pay for overtime, sick leave, vacation, and other leave benefits.

Section E. Tuition Reimbursement:

Effective July 1, 2001, AFSCME members attending accredited community colleges, colleges, trade schools or universities may apply for reimbursement of one hundred percent (100%) of the actual cost of tuition, books, fees, or other student expenses for pre-approved job-related and career development courses. In addition, employees attending city-approved, job related continuing education courses, certification programs, or training conferences may also receive tuition reimbursement for the cost of registration, tuition, books, testing, and/or certifications (including certification renewals). Course work shall be completed on the employee's own time at the employee's own expense. Upon successful completion of the pre-approved class or training program, the employee shall provide all written documentation on allowable costs and completion/grade/certification/score, etc. to their department head and human resources for review and processing. The maximum tuition reimbursement for employees is \$1,000.00 per fiscal year. Reimbursement is contingent upon the successful completion of the course. Successful completion means a grade of "B" or better for undergraduate and graduate courses, full attendance and completion of the training program, and a passing score for non-graded programs that involve certification or testing. All claims for tuition reimbursement require the pre-approval of the employee's department head and the Human Resources Director. Tuition Reimbursement Request Forms are available in the Human Resources Department.

Section F. Overtime:

1. FLSA Workweek – The FLSA workweeks for Unit employees are as follows unless an alternate workweek is designated and approved by the Human Resources Director:
 - a. 5-8 Work Schedule: 12:00 a.m. Monday to 11:59 p.m. Sunday
 - b. 4-10 Work Schedule: 12:00 a.m. Monday to 11:59 p.m. Sunday
 - c. 9/80 Work Schedule: Midpoint of 8-hour workday to one minute prior to midpoint of the following same day of week off (for example, 12:00 p.m. on Friday (working 8 a.m. to 5 p.m. with a one-hour unpaid lunch break on the Friday) to 11:59 a.m. on the following Friday).
 - d. Other workweek designated in writing and approved by the Human Resources Director.
2. Overtime shall be defined as time worked in excess forty (40) hours per week. All paid time shall be considered hours worked for overtime calculation purposes. Overtime shall be paid at the rate of time and one-half (1.5) in either pay or compensatory time (CTO).
3. In addition, overtime shall be paid for all hours worked in excess of the number of hours in an employee's regular workday. However, an employee and his or her supervisor may agree to "flex" his or her schedule. In this case, an employee may work additional hours on one day and

fewer than normal hours on one or more additional days. Any flex time shall be taken in the same workweek as the additional hours. Flex time shall not create a split shift. The employee shall not earn overtime unless the employee's total hours worked exceed forty (40) in that workweek.

In the absence of an employee's agreement to flex time, a supervisor may require the employee to flex his or her schedule to accommodate the City's legitimate operational needs.

4. Each employee shall have the yearly option of accumulating compensatory time off or being paid monthly for overtime accrued during the immediately preceding month. However, employees may not accrue more than eighty (80) hours of CTO in their CTO bank at one time. The Department Heads shall retain the authority of reasonably determining within the best interests of the operation of their respective departments, when accrued CTO may be used by each employee.
5. Employees required to attend mandatory courses, training sessions, or drills during off-duty times, shall be compensated for fifty (50) percent of such time on a straight time basis with a minimum of one (1) hour guarantee.
6. To address issues related the Doctrine of Constructive Receipt, no later than December 15 of each calendar year, each employee may irrevocably elect the number of overtime hours for which he or she wishes to receive CTO in lieu of pay for the following calendar year. Employees shall earn CTO for all overtime hours worked up to the number of hours elected. All overtime hours worked above the elected number of hours will be paid as overtime, regardless of whether an employee utilizes some or all the accrued CTO as paid leave.
7. This election will be made on a form provided by the City and must be completed and submitted in conformance with the instructions set forth on the form. Failure to make an election prior to the date set forth in this section will result in the employee being paid for all overtime hours worked and the employee will not be eligible for CTO for the calendar year. CTO may not be cashed out except upon separation from employment.

Section G. Stand-by Pay:

Stand-by duty shall be rotated among employees on a seven (7) day basis. Employees on seven (7) day stand-by shall receive ten (10) hours pay at straight time. If an actual (not observed) holiday falls within the seven (7) day stand-by period, the employee shall receive eight (8) hours pay at straight time for being on stand-by on the actual (not observed) City of Gilroy recognized holiday.

The parties understand that stand-by compensation includes pay for incidental work performed while on standby. Examples of incidental work include periodic phone calls, e-mails, and remote monitoring of systems.

An employee receiving standby pay is expected to remain available to return to work and will return to work when called in. However, with approval of the supervisor at least 48 hours in advance, an employee may substitute for the employee on standby. Such substitution will be treated like a "shift trade" and the employees will be paid as though they worked their scheduled work and standby shifts. Employees will be responsible for any repayment "shift trades." Substitutions with less than 48 hours'

notice may be approved in emergency circumstances or other situations which could not reasonably have been foreseen (e.g., illness).

Employees on standby duty will be paid at time and one half for work performed after they have returned to the worksite.

Section H. Call Back Pay:

Call back is defined as any unscheduled event occurring after the employee has physically left work that does not continue into or continue after regular duty time. [For example, an employee called back to work one (1) hour prior to his or her regular start time will be paid overtime for the additional hour but will not qualify for callback pay. Similarly, an employee held over at the end of his or her shift will not qualify for callback pay.]

1. Call back shall be paid at a minimum of three (3) hours at time and one-half (1.5). Employees called on an actual (not observed) City of Gilroy recognized holiday will be compensated on the above schedule, but at a double time rate.
2. This provision shall not apply to prescheduled overtime (such as scheduled staff meetings) except that:
 - a. Members of the Communications and Records Units shall be allowed call back pay when called back for scheduled staff meetings; and
 - b. Employees called back to work for pre-scheduled events where a third party reimburses the City for the call back pay shall be paid a minimum of two (2) hours at time and one half (1.5). However, if the City does not post the voluntary overtime signup at least fourteen (14) calendar days prior to a pre-scheduled event, employees called back to work for that event shall be paid a minimum of three (3) hours at time and one half.

Any scheduled event/meeting occurring within thirty (30) minutes of the start or end of an employee's shift will be assumed to be a continuation of regular duty time.

3. The City has the option of holding over employees in lieu of call back for any length of time upon notification to the employee prior to the event/meeting.

Section I. Temporary Upgrade Pay:

1. To qualify for Temporary Upgrade Pay, an employee must be assigned to perform all the duties of a higher classification for ten (10) full working days.
2. Employees who have qualified for Temporary Upgrade Pay in a specific classification shall be paid for each successive day at the rate assigned to the higher classification which represents the lowest step in the higher classification representing a minimum of five (5%) percent increase over the regular pay.

3. In order to be eligible for Temporary Upgrade Pay, an employee must be assigned by his/her supervisor and approved by his/her Department Head to perform such work. Temporary Upgrade assignments shall be assigned in full day increments.
4. In accordance with Government Code 20480, an employee assigned to work in a Temporary Upgrade assignment may not exceed 960 hours worked in the appointment within a fiscal year if the employee is appointed to an upgraded position or higher classification that is vacant during recruitment for a permanent appointment. This limitation does not apply to a position that is temporarily available due to a leave of absence.

Section J. Certificate/License Pay:

Class A Driver's License Pay: Employees in Public Works and Utilities Operations (Operations Services Supervisor and Supervising Water Quality Specialist) who are required to obtain and maintain a current CA Class A driver's license shall be paid \$20.00 per month.

Certificate Pay for Operations Services Supervisors in Parks & Landscape and Streets/Trees/Stormwater & Drainage Sections of Public Works Operations, and Operations Services Supervisor and Supervising Water Quality Specialist in the Water Section and Wastewater Section of Utilities Operations:

For individuals employed on July 1, 2017, the City shall pay the following monthly amounts to individuals holding the following certifications, regardless of Public Works or Utilities Operations work location (Parks & Landscape, Streets/Trees/Stormwater & Drainage, Water, or Wastewater), so long as the individual holds the certification on July 1, 2017 and continues to hold the certification without interruption:

- State of California Water Distribution Operator and CWEA Collection System Maintenance Certifications:

Grade I	\$20.00
Grade II	\$75.00
Grade III	\$125.00
Grade IV	\$150.00

The above pays are not cumulative (e.g., employees holding a Grade IV receive \$150 in license pay)
- Pesticide Advisor - \$20.00
- Qualified Applicator Certificate - \$20.00
- State of CA Water Treatment Operator (any one level) - \$20.00
- AWWA Backflow Prevention Tester - \$20.00
- AWWA Cross Connection Specialist - \$20.00
- Playground Inspection Certification - \$20.00

Effective July 1, 2017, the City shall pay the following monthly amounts to individuals holding the following certifications, when they are assigned to the listed Section:

Parks & Landscape Section:

- Pesticide Advisor Certificate - \$50.00
- Playground Inspection Certificate - \$20.00
- ISA Certified Arborist Certificate - \$250.00

Streets/Trees/Stormwater & Drainage Section:

- CWEA Collection System Maintenance Certifications (this certificate in this Section only applies to those employees hired prior to July 1, 2026, and who hold the certification continuously with no lapse):

Grade III	\$250.00
Grade IV	\$300.00
- Pesticide Advisor Certificate - \$50.00
- ISA Certified Arborist Certificate - \$250.00

Water Section:

- State of California Water Distribution Operator Certifications:

Grade III	\$250.00
Grade IV	\$300.00
Grade V	\$400.00
- State of California Water Treatment Operator Certifications:

Grade II	\$40.00
Grade III	\$60.00
Grade IV	\$80.00
- Cross Connection Control Program Specialist Certificate - \$20.00
- Backflow Prevention Assembly General Tester Certificate - \$20.00

Wastewater Section:

- CWEA Collection System Maintenance Certifications:

Grade III	\$250.00
Grade IV	\$300.00

Examples:

1. Employee A holds a Grade III WDO Certification on July 1, 2017 and works in Streets. Employee A continues to receive \$125 per month for the certification.

2. Employee B earns a Grade III WDO Certification on August 1, 2017 and works in Streets. Employee B does not receive any license pay for the certification.
3. Employee C earns a Grade V WDO Certification on August 1, 2017 and works in Water. Employee C will begin to receive \$400 per month for the certification.

It is the responsibility of the employee to obtain and maintain certifications for which they wish to receive, and wish to continue to receive, certification pay. It is the responsibility of the employee to provide their supervisor AND the human resources department a current written certification documenting valid certifications. It is the responsibility of the employee to monitor expiration dates of certifications, as certification pay will terminate if updated valid certification documentation is not provided prior to the expiration of the certification. If certification pay is terminated due to an expired certification, the employee can reapply at a later time to receive the certification pay. Certification pay will begin the first of the month following human resources receipt of valid, documented certification.

The above referenced certificate pay program is further documented on the attached Certificate Pay Chart for Certain Public Works Operations Employees – Supervisory Unit (Exhibit D).

Section K. Bi-lingual Pay:

1. Employees in the classification of Public Safety Communications Supervisor who demonstrate the ability to communicate (as a result of a verbal skills test) effectively in both Spanish and English shall receive an additional five (5%) percent of their respective base salaries.
2. Other unit employees are eligible for five (5%) percent bi-lingual pay as follows:
 - a. The City shall determine which employees are needed to serve as interpreters and possess necessary verbal competency in Spanish. The City shall use the following criteria in determining whether it is necessary for an employee to serve as an interpreter:
 - i. Very frequent public contact in person and over the phone.
 - ii. The City uses the employee as an interpreter on a daily basis.
 - iii. The employee works in a department with numerous interpretations with Spanish speaking citizens.
 - b. Examples of employee who will qualify for bi-lingual/interpreter status include those encountering the public at the counters in the finance, recreation, and community development departments.
 - c. Employees receiving bilingual pay must provide interpreter translation services upon request of their supervisor or when contacted by a citizen requiring assistance in Spanish.
3. The City may require any employee receiving bi-lingual pay to recertify (test) based on observed skill or lack of use. However, such re-certification shall occur no more than once every two. This test shall be a verbal skills test.

Section L. Deferred Compensation:

Effective with the pay period beginning 7/1/20, City will contribute \$30/month to a City deferred compensation plan on behalf of each bargaining unit member. In order to receive the City contribution, each bargaining unit member must be enrolled in one of the City's deferred compensation plans.

ARTICLE VI. INSURANCE PROGRAMS

Section A. Medical and Dental Insurance:

1. City Contributions

The City shall provide a cafeteria program dollar contribution for each bargaining unit employee. The cafeteria plan contribution amount is established as of January 1, 2026 as the plan year for health plan coverage is the calendar year. The City cafeteria contribution amount shall increase by 5% each January 1 of the MOU using the January 1, 2026 amount as the baseline starting point. Any health plan rate increases in excess of the annual City contribution amount each year shall be paid by the employee.

The baseline monthly city cafeteria plan contribution amounts effective as of January 1, 2026 are:

Employee Only	\$939.36
Employee + 1	\$1,859.09
Employee + 2 or more	\$2,480.68

The above contribution amounts include any mandatory PERS PEMHCA contribution and the mandatory Dental Contribution.

2. The contribution amount that the employee qualifies to receive is based upon the number of individuals that the employee enrolls in a medical plan.
3. The employee may purchase other insurance benefits with any remaining contribution amount or through payroll deduction. Some of these benefits may be eligible for a pre-tax deduction. The employee may not waive dental insurance. The employee must enroll himself or herself, along with qualifying dependents, in the Dental plan.

Employees waiving medical insurance, or whose medical insurance is less than the City contribution are entitled to the following:

a) Hired prior to July 1, 2026

- Bargaining unit members hired by the City on or before June 30, 2026 who waive medical coverage are entitled to \$939.36 in taxable cash less the medical contribution required by CalPERS and less the dental premium.
- If a bargaining unit member hired by the City on or before June 30, 2026 spends less than the following amounts on medical and dental premiums, the balance will be paid to the employee as taxable cash.

Employee Only	\$939.36
Employee +1 dependent	\$1,859.09
Employee +2 or more	\$2,480.68

b) Hired on or after July 1, 2026

Bargaining unit members who are newly hired by the City on or after July 1, 2026 who waive medical coverage are entitled to \$939.36 in taxable cash less the medical contribution required by CalPERS and less the dental premium. However, the taxable cash paid to an employee in this group after the CalPERS and dental deductions may not exceed \$500.

4. The employee may waive medical coverage under this program and enroll in dental insurance provided they show proof of other medical insurance coverage. If the employee waives medical insurance, then the employee is eligible to receive the employee only contribution in cash less than medical contribution required by CalPERS and less the dental premium subject to the caps listed in a) and b) above. Any cash payments received under this program are taxable.
5. Medical In Lieu:
Pursuant to the *Flores v. City of San Gabriel* case, the City includes the medical in lieu amounts as part of the regular rate of pay for calculating FLSA overtime premiums. The City will cease including medical in lieu as part of the regular rate in the event that it is no longer legally required to do so.

Section B. Life Insurance:

The CITY shall contribute up to \$15.00 per employee per month toward the cost of a one-hundred thousand (\$100,000) dollar life insurance and accidental death & dismemberment insurance policy for unit members.

Section C. Long Term Disability Insurance:

For the term of this Agreement the CITY shall maintain in effect the Long Term Disability Program providing for a maximum ninety (90) day elimination period and payment of sixty (60%) percent of salary to a benefit maximum of no less than five thousand (\$5,000) per month. Employees shall have the option of using accrued paid time to supplement LTD to bring gross wages to 100%.

ARTICLE VII. LEAVES

Leaves shall be as provided for in Section VI, Leaves of Absence, Vacation and Sick Leave, of the Human Resources Rules and Regulations. Vacation and Sick Leave accumulation shall be as follows:

Section A. Vacation Leave:

1. Every full-time employee who shall have been in the service of the CITY shall accrue vacation as follows:

Completed Years of Service	Mo. Hours Accrued	Yearly Accrual
1 - 5	6.67 Hours	80 hours
6 - 15	10.00 Hours	120 hours
15 +	13.33 Hours	160 hours

Employees will be allowed to maintain a vacation leave balance not to exceed two years' vacation leave. Employees at or above the maximum balance will no longer accrue vacation time until such time that the employee's vacation balance drops below the maximum balance allowed. New employees will be allowed to take earned vacation in the first year subject to the normal approval process.

Section B. Sick Leave:

Employees shall accrue sick leave at the rate of one (1) 8-hour day per month. Sick leave may be used as it accrues. Employees shall accrue sick leave while on paid vacation. A physician's verification of illness may be required.

1. Family Sick Leave

Employees may use sick leave for any leave covered by the Family and Medical Leave Act or the California Family Rights Act, including covered absences to care for a family member. For absences not covered by the Family and Medical Leave Act or the California Family Rights Act, employees shall be allowed up to six months' accrual of sick leave (six days or 50% of the annual accrual) to attend to an illness of a child, parent, spouse, or domestic partner of the employee in accordance with the California Labor Code Section 233 regarding kin care.

2. Sick Leave for Job-Connected Injuries

Employees shall discuss the timing of pre-planned absences with their supervisor. Whenever possible, employees shall schedule partial day absences to minimize disruption in the workplace. This includes, but is not limited to scheduling appointments after hours, during lunch, or as close to the beginning or end of the workday as possible.

Section C. Personal Leave:

Personal Leave may be used for pre-planned absences in the same manner as vacation. In addition, Personal Leave time may also be used for unforeseen emergencies occurring at the last minute for which the employee could not have planned ahead.

Personal leave hours are not a vested benefit and do not carry over from one fiscal year to the next. Unit members shall receive personal leave hours on July 1 of each fiscal year as follows:

Police Records Supervisor and Public Safety Communications Supervisor	All other non-safety Supervisors that do not receive holiday pay
28 hours of personal leave	24 hours of personal leave
0 hours floating holiday	16 hours floating holiday (in observance of Lincoln's birthday and Admissions Day)
4 hours in observance of the Christmas Eve closure	4 hours in observance of the Christmas Eve closure
Total = 32 hours per fiscal year	Total = 44 hours per fiscal year

Employees hired or terminating during the year shall receive prorated personal leave credit on a quarterly basis. Employee is required to work at least one half of the quarter to receive the quarterly allocation of personal leave time. Since the bank of personal leave hours is fronted to the employee at the start of the fiscal year, if an employee uses more personal leave hours than would be allocated for the fiscal year based on the date of separation, the employee will change the non-eligible excess hours utilized to another available leave bank other than sick leave.

Section D. Bereavement Leave:

Employees make take up to three (3) days of paid Bereavement Leave within the state and five (5) days of paid Bereavement Leave outside of California for the death of immediate family members, per occurrence. Immediate family members are defined as: Grandmother, Grandfather, Mother, Father, Step-Mother, Step-Father, Mother-in-Law, Father-in-Law, Brother, Sister, Step-Brother, Step-Sister, Husband, Wife, Domestic Partner, Natural Born Child, Adopted Child, and/or Step-Child.

Employees may take up to two (2) additional days off using eligible leave banks for the death of an immediate family member within the state.

For family members not covered in immediate family and people who have a significant relationship with the employee, an unpaid leave of absence can be taken with the approval of the City Administrator. The City Administrator's decision is final and not subject to appeal.

This section supersedes the language concerning Bereavement Leave in the HR Rules and Regulations.

Section E. Holidays:

1. The legal holidays observed by the City shall include:

- New Year's Day
- Martin Luther King Day
- Washington's Birthday
- March 31st

- Memorial Day
- Independence Day
- Labor Day, Veteran's Day
- Thanksgiving Day
- The day following Thanksgiving
- Christmas Day

When a regular holiday falls on Sunday, the following Monday shall be granted as a day off, and when a regular holiday falls on Saturday, the preceding Friday shall be granted as a day off.

Additional paid holidays to those provided in the Human Resources Rules and Regulations and this Agreement may be granted if declared by the Gilroy City Council.

2. Holiday Pay:

- a. Any employee, other than employees in the classification of Public Safety Communications Supervisor, required to work on any holiday shall receive eight (8) hours of straight time pay for the holiday and time and one-half (1.5) for any hours actually worked on the holiday.
- b. If a City observed holiday falls on the regular day off for an employee in any job classification other than the classifications of Police Records Technician and Public Safety Communicator, that employee shall arrange with their supervisor to take an alternate day off during the same pay period in which the observed holiday occurred.
- c. Employees in the classification of Public Safety Communications Supervisor assigned to work holidays shall receive holiday pay at the rate of 6% of the employee's base monthly salary.

Section F. Christmas Eve Mandatory Closure:

City offices and all non-essential operations shall be closed on the workday immediately preceding the Christmas Day Holiday. However, this is not a holiday and employees will be required to use either paid or unpaid leave to cover their absence on this day. Employees shall designate, at least two weeks prior to the mandatory closure, what leave time the employee will use to cover this day by following the normal time off request process established in the department.

Employees called back to work on the mandatory closure day shall receive call back pay per Article V, Section J contained in this MOU. Employees assigned to stand by duty shall receive stand by pay per Article V, Section I contained in this MOU.

Department Heads retain the discretion to determine if there are department staffing needs for the mandatory closure and shall announce this to the affected employees by no later than the last working day in November. Ideally, staffing will be achieved by employees who request to work on this day and then based on seniority. The schedule shall be posted as soon as possible following the end of November announcement and by no later than the end of the first full week in December. Employees who work on the mandatory closure day shall log their time as regular hours worked at straight time. Schedule flexing shall not be permitted on this day.

All City Hall employees shall participate in the mandatory closure as the City Hall building will be closed on this date.

This mandatory closure does not apply to Police Department Records and Communication Unit employees.

Community Services Officers normally scheduled to work on this day shall follow their normal work schedule and may request time off per the normal time off procedures.

All other Police Department administrative support staff shall participate in the mandatory closure.

Section G. No Use of Leave to Extend Retirement or Separation Date:

Employees are required to be present at work during the entire two workweeks preceding their retirement or other planned separation from City employment (e.g. resignation to accept new position). Employees may not use accrued leave time to extend their employment.

ARTICLE VIII. MISCELLANEOUS

Section A. Uniforms:

1. The Public Safety Communications Supervisor (Police Department) and Deputy Fire Marshal/Hazardous Materials Supervisor (Community Development Department) shall receive uniform allowance in the amount of \$41.67 per month. Newly hired employees in this classification shall receive an initial uniform allowance of two hundred and fifty (\$250) dollars.
2. The City will provide a voucher or reimburse field employees who are required to wear safety shoes in the normal course of his or her duties for one (1) pair of safety shoes per year up to a maximum of \$200 per pair. For those employees required to wear safety shoes who are not working in the field on a regular (daily/weekly) basis, the City will provide a voucher or reimbursement for one (1) pair of safety shoes every two years up to a maximum of \$200 per pair. The employee is required to wear the shoes at all times when applicable duties are performed.
3. The City will provide a voucher or reimburse employees in the Supervising Code Enforcement Officer position and supervisors in the Public Works and Utilities Operations Divisions for a second pair of safety shoes each year up to a maximum of \$200 per pair.
4. Public Works and Utilities Operations field employees shall be supplied, by the City, with an allocation sufficient to purchase five (5) shirts and patches, five (5) pants, and three (3) work hats per year. These shall be of a quality similar to a Ben Davis brand. The annual per employee fiscal year maximum Uniform allotment for Public Works and Utilities Operations is \$375.00.
 - a. If an employee can physical show their manager that they have five (5) shirts, five (5) pants, and three (3) hats in good condition, once approved by the manager, the employee can use their uniform allocation for other, non-core uniform items on the approved list. If an employee only needs two (2) pants, two (2) shirts, and one (1) hat to achieve the core allocation noted above, once approve, the employee can use the remaining uniform allotment amount to purchase other, non-core uniform items on the approved list. Absent the manager's approval to purchase alternate uniform items, the

- employee shall be required to select the core uniform items (five (5) shirts, five (5) pants, and three (3) hats. Substitutions and modifications may be made by the Uniform Committee made up of Public Works and Utilities Field employees.
- b. Newly hired employees in these classifications shall receive an initial allocation sufficient to purchase five (5) shirts and patches, five (5) pants, three (3) work hats, one (1) all-weather jacket, one (1) sweatshirt, one (1) belt, and five (5) short-sleeved shirts.
 - c. The first fiscal year annual maximum uniform allotment for each newly hired Public Works and Utilities Operations employee is \$620.00.
 - d. The goal of standardized uniforms for field operations personnel is to present a consistent and neat image to the public we serve.
5. The City shall annually (fiscal year) supply supervisory unit positions in Public Works Engineering and Community Development field employees (i.e. Supervising Code Enforcement Officer) with five (5) polo style shirts bearing an approved city logo in a brand and color approved by the City (brand and color to be approved only after taking input on the style and color from the affected employees). The designated employees shall wear the supplied shirts each day at work with pants (khakis or jeans appropriate for work being performed) consistent with the negotiated dress code. The annual allotment for the 5 shirts provided to each employee in specified classifications in Community Development and Engineering in Community Development is \$200. If an employee can demonstrate to the they have 5 Polo Shirts in very good condition City is willing to permit employees to use the residual uniform allowance for other approved City-branded apparel (e.g., a jacket, vest, hat, etc.). Pants are excluded from the uniform reimbursement and may not be purchased with the employee's allotment.
 6. The City will report the above referenced uniform allotment to CalPERS on a monthly basis. The initial fiscal year allotment for newly hired employees shall be determined by the number of remaining payroll periods in the fiscal year and will then shift to the regular allotment method in the next fiscal year.

Section B. Safe Workplace Commitment:

The CITY shall furnish employment and a place of employment which is safe and healthful for the worker therein and shall conform to and comply with all health, safety, and sanitation requirements imposed by State or Federal law or regulations adopted under State or Federal law.

Section C. Safety Committee:

The UNION shall be entitled to appoint two members to the CITY's Safety Committee.

Section D. Contracting Out:

- (1) Except for temporary contracts (less than one year) or contracts to fill an immediate need (such as a vacant full-time position) the CITY will notify the UNION if it intends to contract out the functions currently performed by employees within the unit. Upon request, at the initiation of the contract and whenever the contract is up for renewal, the CITY will meet with the UNION

(including employees with knowledge of the work to be contracted) to explain the reason for the decision to contract out and to solicit UNION views on the proposal, including possibilities for cost savings. Nothing in this section shall be construed to limit the rights of the City Council to contract out work in its sole discretion. Nor shall any meetings under this section meetings delay the City Council's adoption of any contract.

- (2) Nothing in this section shall be construed to limit the rights of the City Council, in its sole discretion, to enter into temporary contracts (less than one year) or contracts to fill an immediate need (such as a vacant full-time position). Such contracts shall not be subject to the provisions of Paragraph (1), above.
- (3) This section shall not apply to part-time hiring or to temporary or provisional appointments, which shall continue to occur at the City's sole discretion.

Section E. Union Leave:

1. UNION Officers (maximum of 7) shall be allowed to utilize a cumulative total of one hundred and twenty (120) hours per fiscal year of release time for UNION business and attendance of UNION related functions including, but not limited to meetings, seminars, and schools. Release time shall be granted subject to minimum staffing requirements of the Department and is subject to Department Head and/or City Administrator approval.

UNION officers shall be provided with a reasonable amount of release time to meet with CITY management personnel on:

- a) Grievances.
 - i. One (1) designated UNION representative is allowed time off without loss of compensation for purposes of representing an employee in a meeting with City representatives relative to an employee grievance.
 - ii. One (1) designated UNION representative is allowed time off without loss of compensation for the purpose of discussing or investigating a grievance with an employee.
 - b) Issues raised by City Management involving CITY/UNION business. The UNION President and/or a designee will have release time without loss of compensation for the purpose of conducting formal meetings with City Management personnel. Release time must be scheduled in advance with the President's or designee's supervisor.
 - c) Other mutually acceptable reasons.
2. Designated employee representatives shall be provided with release time to participate in formal meet and confer sessions with the CITY. When the meeting is a formal meet and confer session regarding the negotiation of an MOU, such release time shall not be charged to the one hundred and twenty (120) hours time bank described in paragraph 1 above.
 3. UNION Representatives who are scheduled to work between the hours of 5:00 pm and 7:40 am shall be released from duty at least 8 hours prior to any scheduled meetings with the City/Department representatives concerning matters within the scope of representation.

4. UNION representatives shall request permission to use release time as far in advance as reasonably possible. Supervisors will not unreasonably deny requests for release.
5. UNION will provide the CITY a list of all officers, stewards, and representatives.

Section F. City-Paid Meal:

Employees shall be provided a meal at CITY expense if the employee is required to work two or more hours over their normal work shift in a single working day. Subject work must also conform to the overtime approval requirement. If the City does not provide a meal, employees shall be reimbursed fifteen dollars (\$15.00) for the cost of a meal. No receipt will be required. Overtime meal reimbursements shall be documented on the employee's time sheet/time report and shall be paid with the following payroll as a taxable reimbursement consistent with IRS Regulations (see IRS regulation 15-B, 2013).

Section G. Employee Commitment:

In consideration of the fair and reasonable provisions of this Memorandum of Understanding, employees represented by the Gilroy Employee's Association, through their elected representatives, do hereby make the following pledges to the City of Gilroy:

1. Employee shall make every effort to minimize CITY costs on an on-going basis by encouraging optimum amount of work production from each of its members.
2. Employees shall cooperate in every reasonable way to properly maintain and protect CITY property, equipment, and facilities.
3. Employees shall adhere to all Human Resources Rules and Regulations. Specific attention shall be given to those regulations dealing with sick leave, time off, coffee breaks and punctuality. Every effort shall be made to maintain a good public image for each and all CITY employees. This is to be accomplished by maintaining good work habits and keeping busy at productive work during regular working hours.
4. Employees shall use and follow safe working procedures in their day-to-day work routines. Each employee shall point out to his/her fellow workers any observed unsafe condition or work procedure. Any observed unsafe condition or situation shall be immediately reported by employees to their supervisor. The intent here is to protect fellow workers from any unnecessary injury and the CITY from any potential liability.
5. Employees shall make a special and continuing effort to maintain good and constructive relations with the general public, fellow employees, and CITY officials. Every effort will be made to be considerate and understanding of the other person's point of view, misunderstanding or problem.
6. The Gilroy Employee's Association shall assume a leadership role in carrying out the above pledges.

Section H. Probationary Period:

With the exception of classifications of Public Safety Communication Supervisor, newly hired employees will serve a twelve (12) month probationary period. The classifications of Public Safety Communications Supervisor shall serve an eighteen (18) month probationary period. The probationary period for promotions of permanent employees shall be six (6) months.

Section I. Residency Requirements:

Employees in the Public Works and Utilities Operations Sections of Water, Wastewater, Parks & Landscape, and Streets/Trees/Stormwater & Drainage required to participate in on-call/stand-by work shall be subject to the following requirements:

1. Employees hired on or after July 1, 1989 shall be required to live, within one (1) year from date of hire, within sixty (60) minutes normal driving time from City Hall. Normal driving time shall be defined as driving the most direct route at the posted speed limit.
2. Employees hired prior to July 1, 1989 living within the sixty (60) minute limit shall be subject to this rule. Current employees living outside the sixty (60) minute limit shall not move outside their present driving radius but may move within it.

Section J. Eyeglass Replacement:

Once per year (per employee), the CITY shall repair or replace eyeglasses damaged due to the employee's work provided that:

1. The damage was not due to negligence on the employee's part; and
2. The damage was not due to a defect(s) or wear on the glasses.

City-paid repair or replacement shall be limited to a maximum of one-hundred and fifty dollars (\$150) per incident, per year.

Section K. Layoff Policy:

The CITY and UNION have agreed to a layoff policy as contained in the Human Resources Rules and Regulations.

Section L. Employee Assistance Program:

The Employee Assistance Program shall provide for at least ten (10) visits per calendar plan year.

Section M. Grievance and Disciplinary Action:

Bargaining unit members must utilize the Grievance Procedure contained in this article rather than the Human resources Rules and Regulations for any grievances involving the interpretation, application, or alleged violation of this memorandum of understanding. However, any appeal of disciplinary action shall be made pursuant to Section V of the Human Resources Rules and Regulations and not pursuant to this grievance procedure.

Grievance Procedure:

An employee shall have the right to present a grievance pursuant to this procedure. The employee may be represented by the Association or an individual of the employee's choice at the formal steps of this grievance procedure (excluding Step 1). If the representative is a fellow employee, that employee will receive time off from his or her work assignment for the time of the grievance meeting or hearing plus reasonable travel time. Forty-eight hours prior to the grievance meeting, the employee shall inform the Human Resources Department whether he or she will be represented at the grievance meeting and identify the representative. Grievances are defined as an alleged violation, misinterpretation, or misapplication of this Memorandum of Understanding.

The procedure is not to be used for the following purposes:

1. Resolving complaints, requests or changes in wages, hours and working conditions.
2. To challenge the content of employee evaluations or performance reviews.
3. To challenge a reclassification, layoff, transfer, denial of reinstatement, or denial of a step or merit increase.
 - a. EXCEPTION: Pursuant to the Miscellaneous and Supervisory Units MOU's, employees in these units may appeal the denial of a merit step increases to the City Administrator.
4. In cases of oral reprimand, written reprimand, reduction in pay, demotion, suspensions, or termination.
5. To challenge violation of law or past practice.
6. To challenge examinations or appointment to positions.

Grievances shall be in writing, dated and signed by the employee and presented to his/her supervisor. Grievances must be submitted within ten (10) calendar days of the occurrence, or the employee's knowledge of the occurrence, which gives rise to the grievance. All grievances must clearly state the section of the Memorandum of Understanding that the employee alleges was violated, misinterpreted or misapplied; the specific act or omission which gave rise to this alleged violation, misinterpretation or misapplication; the date or dates on which the violation, misinterpretation or misapplication occurred; what documents, witnesses or other evidence support the employee's position; and the remedy requested.

- Step1. Initially, all employee grievances should be directed to the immediate supervisor for solution.
- Step 2. In the event the immediate supervisor meeting does not resolve the grievance within ten (10) calendar days, the supervisor, at the employee's request, shall present the matter to the next level of supervision within the department concerned. That supervisor and any higher-level supervisor(s) in the department's normal chain of command shall attempt to

resolve the grievance. Each level of supervisor shall respond in writing to the grievant within ten (10) calendar days of receipt of the grievance. If the grievance is not resolved at a level below Department Head, the supervisor immediately subordinate to the Department Head, at the employee's request, shall present the matter to the Department Head. This presentation shall be made in the presence of the employee. The employee shall be allowed adequate time to present his/her side of the matter.

Step 3. In the event the grievance is not adequately resolved within ten (10) calendar days at the Department Head level, the employee may submit the grievance to the City Administrator which submission shall, include the responses received from the supervisors and the Department Head.

Step 4. If the grievance is not resolved within ten (10) calendar days at the City Administrator level, the employee or the City Administrator shall notify the Human Resources Director who shall gather the written facts and present them to the Personnel Commission at its next regular meeting. The Personnel Commission (in accordance with Section 907, of the City Charter) shall hear this matter and report its findings within ten (10) calendar days, to the City Council for review. The action of the City Council shall be final.

The hearing before the Personnel Commission may be conducted informally and the rules of evidence need not apply. The hearing shall be conducted in an orderly manner with a presentation of all material facts so that a fair and impartial decision may be made. The Commission Chairperson shall have full authority at all times to maintain orderly procedure and to restrict the hearing to facts relevant to the complaint. In hearing the appeal, the Commission may require the employee (appellant) to first present his/her grievance; followed by the immediate supervisor for presentation of his/her attempts to resolve the grievance; followed by the Department Head for presentation of his/her attempts to resolve the grievance; followed by the City Administrator for presentation of his/her attempts to resolve the grievance. All involved parties may be entitled to counsel if they so desire. The appellant will bear the expense of his/her own counsel.

The Human Resources Department will provide a checklist to be used in order to ensure that each grievance is dealt with in timely and proper manner. The checklist will be initiated by a supervisor when he/she is first presented with a grievance and will be forwarded along with the grievance and all responses thereto to each succeeding step in the process until a final resolution is obtained. Each succeeding level of authority in this procedure shall refuse to hear the matter unless the preceding step of the procedure has been observed.

Section N. Bulletin Boards, Mail, and E-mail:

1. The UNION may install at its own expense bulletin boards of reasonable size and construction as approved by the CITY. Bulletin boards shall be placed in locations approved by the CITY; they may be used for official Union bulletins but may not be used to post inflammatory or defamatory material. Pre-approval by the City may be required of any material proposed to be posted by the Union.

2. Subject to pre-approval by the Director of Human Resources, the UNION may utilize interoffice mail and electronic mail for the distribution of information. The UNION understands that information sent through the CITY'S servers will be subject to review under applicable CITY policies and may be subject to disclosure to the public.

Section O. Donation of Vested Time:

Employees may donate vacation hours, personal leave hours, or compensatory time off hours under the Catastrophic Leave Donation Program outlined in the Gilroy Human Resources Rules and Regulations. Employees may not donate sick leave.

Section P. Human Resources Files:

At any time during normal working hours, an employee may make an appointment to review their Human Resources file. Employees will be allowed to see their Human Resources file in the presence of a Human Resources representative. An employee's representative may review an employee's personnel file in the presence of a Human Resources representative upon presentation of a written release from the employee.

Section Q. Labor Management Committee:

The City and Union have formed a Labor Management Committee to address issues of importance in labor management relations between the parties. Either party may request that the Committee meet by submitting a written request identifying the specific issue(s) to be discussed. Typically, two representatives shall be appointed by each party.

The Committee will not have the authority to add to, amend, or modify this MOU. However, mutually acceptable recommendations of the Committee may be implemented, after any required meet and confer process.

Section R. Employee Performance Appraisal:

1. Additional Review

If comments are added to an Appraisal by any manager above the level of the supervisor who signs the Appraisal, a copy of the Appraisal (including any additional comments) shall be routed to the employee prior to the EPA being delivered to the Human Resources Department.

2. Appeal

Unit employees shall be allowed to appeal any Employee Performance Appraisal with an overall rating of less than satisfactory to the City Administrator. There shall be no other form of appeal.

Section S. Equal Employment Opportunity:

The CITY and AFSCME are committed to providing equal employment opportunities for all employees and applicants. Further, the CITY and AFSCME are committed to the elimination of any barriers which restrict women, minorities and the disabled from receiving equal treatment in any aspect of employment. The parties understand that the City may have a legal imperative to act in a manner inconsistent with this agreement or the Human Resources Rules and Regulations. For example, the City may have to accommodate a disabled employee by placing that employee in a particular position without performing a recruitment.

Section T. Alternate Work Schedules:

The City departments may, in the department heads discretion, establish alternative work schedules. If established:

- 1) Overtime shall be payable for hours worked in excess of the regular workday.
- 2) Time off shall be earned as if the employee was working a regular work schedule (i.e. eight (8) hours for one (1) day). Time off shall be charged based on the number of hours in the workday missed (i.e. an employee on a 4/10 schedule will be charged ten (10) hours for each day missed on vacation, sick leave, etc.) Employees on alternate work schedules of more than eight (8) hours taking a holiday off shall be required to supplement their eight (8) hours of holiday pay in order to receive payment for the full day.

Section U. DMV Pull Notice Program:

Employees who have the opportunity to operate motorized vehicles on city business are required to be safe drivers and operate vehicles in a safe manner. Employees, who have the opportunity to operate vehicles on city business, must possess and maintain a valid California driver's license appropriate for the job and vehicle(s) to be operated. Employees who have the opportunity to operate motorized vehicles while on duty must also either: (1) enroll in the City's department of motor vehicles employer pull-notice program, or (2) provide the city with periodic updates of his or her driving record.

1. If an employee enrolls in the DMV employer pull notice program, the employee must fill out a City-specified enrollment form directing the DMV to provide the City with periodic updates of the employee's driving record.
2. If an employee elects not to enroll in the DMV employer pull notice program, the employee is responsible for providing the City with periodic updates of the employee's driving record. These updates shall be provided annually during the month of January and every time the employee receives a citation or other entry on his or her driving record which impacts his or her ability to operate a motor vehicle while on duty, including but not limited to the revocation or temporary suspension of the employee's drivers' license.

Section V. Payroll Date and Direct Deposit:

Employees are paid monthly on the first City Hall working day of the month unless an earlier date is designated by the City for a particular month. The City will notify the Association prior to implementing the bi-weekly payroll calendar as part of the implementation of the new ERP.

All unit employees shall enroll in direct deposit within sixty (60) days of employment. Employees shall maintain direct deposit. Employees needing an exception to direct deposit shall submit a request stating the reasons for the exception in writing to the Human Resources Director for consideration. The decision of the Human Resources Director shall be final.

ARTICLE IX. PEACEFUL PERFORMANCE

During the life of this Agreement, no work stoppages, strikes, slowdowns, or picketing shall be caused or sanctioned by the UNION, and no lockouts shall be made by the City of Gilroy.

In the event that any employees covered by this Agreement, individually or collectively, violate the provisions of this article and the UNION fails to exercise good faith in halting the work interruption, the UNION and the employees involved shall be deemed in violation of this article and the CITY shall be entitled to seek all remedies available to it under applicable law.

ARTICLE X. REINSTATEMENT

The City shall have the option, upon reinstating employees who resigned in good standing, to reinstate accrued sick leave and reinstate seniority for salary step and leave accrual purposes. This Article can also apply when an employee is laid off and within two years of the employee's layoff date is hired back to a new job classification.

ARTICLE XI. REOPENERS

1. Upon request by the City, the City and Union will reopen the MOU to negotiate implementation of a bi-weekly payroll system and to address other changes related to payroll system implementation. The parties' intention is to develop a bi-weekly pay calendar that will result in employees receiving a portion of their pay earlier in the month.
2. In the event the Employer contribution required by CalPERS for any year cover by the MOU exceeds the estimates in CalPERS' 2016 actuarial valuation, the City and Union will reopen the contract to negotiate changes to address the rate increases.
3. Upon request by the City, the City and Union will reopen negotiations on revised Human Resources Rules and Regulations to address any substantive changes to the Human resources Rules and Regulations.
4. Upon request by the City, the City and Union will reopen negotiations on revised Drug and Alcohol Testing Policy to address any changes within the scope of representation.
5. The City will continue the practice of including the Union in the review cycle for the issuance of new procedures or for making changes to existing procedures that impact terms and conditions of employment.

6. Upon request by the City, the City and Union will reopen negotiations on a revised Employer-Employee Relations Resolution to address any substantive changes to the Employer-Employee Relations Resolution.

ARTICLE XII. FULL UNDERSTANDING

This Memorandum of Understanding is the result of the parties' good faith meeting and conferring pursuant to the MMBA and sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety. Where this MOU conflicts with the Human Resources Rules and Regulations, the terms of this MOU shall control.

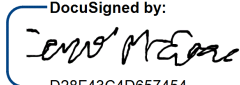
It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its rights to negotiate and agrees that the other party shall not be required to negotiate with respect to any matter covered herein during the term of this Memorandum of Understanding. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this agreement.

ARTICLE XIII. SAVINGS PROVISION

If any provisions of this Memorandum of Understanding are held to be contrary to law by a court of competent jurisdiction or invalidated by state or federal law, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect. Should the State of California adopt legislation forbidding or economically penalizing the CITY for granting any compensation increases called for in this agreement, the compensation increase shall be suspended. The CITY and Association shall meet and confer regarding any suspended compensation increases.

ARTICLE XIV. TERM

This Memorandum of Understanding represents the entire Agreement between the CITY and UNION on subjects contained herein and shall become in full force and effect on July 1, 2026 unless otherwise noted and shall continue in full force and effect until Midnight June 30, 2029. The UNION shall provide the CITY with its proposals for the period beginning July 1, 2029 no later than February 1, 2029. The parties agree to begin the meet and confer process by February 28, 2029.

For the City of Gilroy:	For Gilroy, AFSCME, Local 101
Signature/Date	Signature/Date
Matt Morley, City Administrator	DocuSigned by:  7/22/2026 D28F43C4D657454... Carol McEwan, AFSCME Business Agent
Charles Sakai, Labor Negotiations Legal Counsel	Signed by:  7/22/2026 93DD2019EF0242C... Jon Shouse, President
LeeAnn McPhillips, Special Assistant - Human Resources & /Risk Management	Signed by:  7/22/2026 15F98E634AEE479... John Sousa, Vice-President
John Doughty, Public Works Director	

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

Exhibit A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,132.67 121,592	10,639.33 127,672	11,171.33 134,056	11,729.92 140,759	12,316.33 147,796	12,932.08 155,185	13,578.67 162,944	14,257.58 171,091
Supervising Code Enforcement Officer	8403	9,455.33 113,464	9,928.00 119,136	10,424.33 125,092	10,945.75 131,349	11,493.08 137,917	12,067.58 144,811	12,671.00 152,052	13,304.58 159,655
Operations Services Supervisor	8402	8,304.33 99,652	8,719.33 104,632	9,155.33 109,864	9,613.17 115,358	10,093.75 121,125	10,598.42 127,181	11,128.33 133,540	11,684.75 140,217
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	7,980.17 95,762	8,379.08 100,549	8,798.17 105,578	9,238.00 110,856	9,699.92 116,399	10,185.00 122,220	10,694.25 128,331	11,229.00 134,748

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

Exhibit A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,507.58 126,091	11,033.00 132,396	11,584.67 139,016	12,163.92 145,967	12,772.00 153,264	13,410.58 160,927	14,081.08 168,973	14,785.08 177,421
Supervising Code Enforcement Officer	8403	9,805.17 117,662	10,295.33 123,544	10,810.00 129,720	11,350.75 136,209	11,918.33 143,020	12,514.08 150,169	13,139.83 157,678	13,796.83 165,562
Operations Services Supervisor	8402	8,611.58 103,339	9,041.92 108,503	9,494.08 113,929	9,968.83 119,626	10,467.25 125,607	10,990.58 131,887	11,540.08 138,481	12,117.08 145,405
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	8,275.42 99,305	8,689.08 104,269	9,123.67 109,484	9,579.83 114,958	10,058.83 120,706	10,561.83 126,742	11,089.92 133,079	11,644.50 139,734

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0% Cost of Living Increase)**

Exhibit A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,822.83 129,874	11,364.00 136,368	11,932.17 143,186	12,528.83 150,346	13,155.17 157,862	13,812.92 165,755	14,503.50 174,042	15,228.67 182,744
Supervising Code Enforcement Officer	8403	10,099.33 121,192	10,604.17 127,250	11,134.33 133,612	11,691.25 140,295	12,275.92 147,311	12,889.50 154,674	13,534.00 162,408	14,210.75 170,529
Operations Services Supervisor	8402	8,869.92 106,439	9,313.17 111,758	9,778.92 117,347	10,267.92 123,215	10,781.25 129,375	11,320.33 135,844	11,886.25 142,635	12,480.58 149,767
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	8,523.67 102,284	8,949.75 107,397	9,397.42 112,769	9,867.25 118,407	10,360.58 124,327	10,878.67 130,544	11,422.58 137,071	11,993.83 143,926

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

AFSCME, LOCAL 101, SUPERVISORY UNIT
CERTIFICATE PAY CHART – EXHIBIT B
JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT

Parks & Landscape Section – Public Works				Streets/Trees/Stormwater & Drainage Section – Public Works			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00
CWEA Collection System Maintenance Grade I, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	Playground Inspection Certification	\$20.00	CWEA Collection System Maintenance Grade I, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	CWEA Collection System Maintenance Grade 3 or 4 <i>(ONLY APPLICABLE TO EMPLOYEES HIRED PRIOR TO 7/1/2026 WITH NO LAPSE-SEE MOU)</i>	3 = \$250.00 4 = \$300.00
AWWA Backflow Prevention Tester	\$20.00	Pesticide Advisor Certification	\$50.00	AWWA Backflow Prevention Tester	\$20.00	Pesticide Advisor Certification	\$50.00
State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	ISA Certified Arborist	\$250.00	State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	ISA Certified Arborist	\$250.00
State of CA Water Treatment Operator (any level)	\$20.00			State of CA Water Treatment Operator (any level)	\$20.00		
AWWA Cross Connection Specialist	\$20.00			AWWA Cross Connection Specialist	\$20.00		
Qualified Applicator's Certificate	\$20.00			Qualified Applicator's Certificate	\$20.00		

AFSCME, LOCAL 101, SUPERVISORY UNIT
CERTIFICATE PAY CHART – EXHIBIT B
JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT

Parks & Landscape Section – Public Works				Streets/Trees/Stormwater & Drainage Section – Public Works			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Playground Inspection Certification	\$20.00			Playground Inspection Certification	\$20.00		
Pesticide Advisor Certification	\$20.00			Pesticide Advisor Certification	\$20.00		

Water – Utilities				Wastewater - Utilities			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00	Class A License	\$20.00
CWEA Collection System Maintenance Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	State of CA Water Distribution Operator Grade 3, 4, or 5	3 = \$250.00 4 = \$300.00 5 = \$400.00	CWEA Collection System Maintenance Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	CWEA Collection System Maintenance Grade 3 or 4	3 = \$250.00 4 = \$300.00
AWWA Backflow Prevention Tester	\$20.00	AWWA Backflow Prevention Tester	\$20.00	AWWA Backflow Prevention Tester	\$20.00		

AFSCME, LOCAL 101, SUPERVISORY UNIT
CERTIFICATE PAY CHART – EXHIBIT B
JULY 1, 2026 – JUNE 30, 2029 – MOU EXHIBIT

Water – Utilities				Wastewater - Utilities			
If Obtained Prior to 7/1/2017		7/1/17 and going forward		If Obtained Prior to 7/1/2017		7/1/2017 and going forward	
Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount	Certificate	Monthly \$ Amount
State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00	State of CA Water Treatment Operator 2, 3, or 4	2 = \$40.00 3 = \$60.00 4 = \$80.00	State of CA Water Distribution Operator Grade 1, 2, 3, or 4	1 = \$20.00 2 = \$75.00 3 = \$125.00 4 = \$150.00		
State of CA Water Treatment Operator (any level)	\$20.00	AWWA Cross Connection Specialist	\$20.00	State of CA Water Treatment Operator (any level)	\$20.00		
AWWA Cross Connection Specialist	\$20.00			AWWA Cross Connection Specialist	\$20.00		
Qualified Applicator's Certificate	\$20.00			Qualified Applicator's Certificate	\$20.00		
Playground Inspection Certification	\$20.00			Playground Inspection Certification	\$20.00		
Pesticide Advisor Certification	\$20.00			Pesticide Advisor Certification	\$20.00		

RESOLUTION NO. 2026-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF GILROY ESTABLISHING THE JULY 1, 2026,
JULY 1, 2027, AND JULY 1, 2028 SALARY SCHEDULES
FOR EMPLOYEES REPRESENTED BY THE
AMERICAN FEDERATION OF STATE, COUNTY, AND
MUNICIPAL EMPLOYEES (AFSCME, LOCAL 101,
GILROY CHAPTER), GENERAL UNIT**

WHEREAS, the City Council does establish salaries for city officers and employees by resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF GILROY, AS FOLLOWS:**

1. The salaries effective July 1, 2026 for AFSCME, Local 101, General Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three point eight percent (3.8%) cost of living increase.
2. The salaries effective July 1, 2027 for AFSCME Local 101, General Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three point seven percent (3.7%) cost of living increase.
3. The salaries effective July 1, 2028 for AFSCME, Local 101, General Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three percent (3%) cost of living increase.

PASSED AND ADOPTED this 27th day of July, 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,035.58 132,427	11,587.50 139,050	12,166.75 146,001	12,775.17 153,302	13,413.75 160,965	14,084.58 169,015	14,788.75 177,465	15,528.17 186,338
Assistant Engineer	8536	10,032.33	10,534.08	11,060.67	11,613.75	12,194.33	12,804.17	13,444.33	14,116.50
Environmental Engineer	8538	120,388	126,409	132,728	139,365	146,332	153,650	161,332	169,398
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,082.25	9,536.33	10,013.08	10,513.75	11,039.42	11,591.42	12,171.00	12,779.50
Planner II	8513	108,987	114,436	120,157	126,165	132,473	139,097	146,052	153,354
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	8,727.83 104,734	9,164.17 109,970	9,622.42 115,469	10,103.33 121,240	10,608.67 127,304	11,139.00 133,668	11,696.00 140,352	12,280.75 147,369
Building Inspector II	8521	8,641.42 103,697	9,073.50 108,882	9,527.17 114,326	10,003.58 120,043	10,503.67 126,044	11,028.83 132,346	11,580.25 138,963	12,159.33 145,912
Public Safety Communicator	8634	8,471.08 101,653	8,894.58 106,735	9,339.42 112,073	9,806.33 117,676	10,296.75 123,561	10,811.58 129,739	11,352.08 136,225	11,919.67 143,036
Engineering Technician/Inspector III	8532	8,304.33 99,652	8,719.33 104,632	9,155.33 109,864	9,613.17 115,358	10,093.75 121,125	10,598.58 127,183	11,128.50 133,542	11,684.92 140,219
Accountant	8552	8,222.00	8,633.08	9,064.75	9,517.92	9,993.92	10,493.58	11,018.25	11,569.17
Building Inspector I	8520	98,664	103,597	108,777	114,215	119,927	125,923	132,219	138,830
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	7,517.58 90,211	7,893.67 94,724	8,288.33 99,460	8,702.67 104,432	9,137.83 109,654	9,594.75 115,137	10,074.50 120,894	10,578.25 126,939
Accounting Technician II	8554	7,296.58	7,661.50	8,044.50	8,446.75	8,869.08	9,312.50	9,778.17	10,267.00
Senior Facilities Maintenance Specialist	8507	87,559	91,938	96,534	101,361	106,429	111,750	117,338	123,204
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,152.83 85,834	7,510.42 90,125	7,885.92 94,631	8,280.33 99,364	8,694.25 104,331	9,129.08 109,549	9,585.58 115,027	10,064.92 120,779
Information Technology Technician II	8561	6,942.58 83,311	7,289.50 87,474	7,654.00 91,848	8,036.75 96,441	8,438.58 101,263	8,860.50 106,326	9,303.58 111,643	9,768.75 117,225

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	6,805.75	7,145.92	7,503.25	7,878.50	8,272.42	8,686.00	9,120.33	9,576.33
Sr. Maintenance Worker - Parks & Landscape	8504	81,669	85,751	90,039	94,542	99,269	104,232	109,444	114,916
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	6,671.58 80,059	7,005.00 84,060	7,355.33 88,264	7,723.25 92,679	8,109.25 97,311	8,514.83 102,178	8,940.50 107,286	9,387.50 112,650
Accounting Technician I	8553	6,605.50	6,935.83	7,282.58	7,646.67	8,029.00	8,430.50	8,852.00	9,294.58
Facilities Maintenance Specialist	8505	79,266	83,230	87,391	91,760	96,348	101,166	106,224	111,535
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,475.42 77,705	6,799.17 81,590	7,139.00 85,668	7,496.00 89,952	7,870.83 94,450	8,264.33 99,172	8,677.50 104,130	9,111.42 109,337
Water Operator	8544								
Community Coordinator	8547	6,411.17	6,731.75	7,068.42	7,421.75	7,792.83	8,182.58	8,591.58	9,021.25
Community Engagement Coordinator	8549	76,934	80,781	84,821	89,061	93,514	98,191	103,099	108,255
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,284.83	6,599.17	6,929.08	7,275.58	7,639.42	8,021.33	8,422.42	8,843.50
Information Technology Technician I	8560	75,418	79,190	83,149	87,307	91,673	96,256	101,069	106,122
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,039.67 72,476	6,341.67 76,100	6,658.75 79,905	6,991.58 83,899	7,341.17 88,094	7,708.25 92,499	8,093.75 97,125	8,498.33 101,980
Accounting Assistant II	8605	5,979.92 71,759	6,278.83 75,346	6,592.83 79,114	6,922.42 83,069	7,268.58 87,223	7,632.00 91,584	8,013.50 96,162	8,414.17 100,970
PW Maintenance Worker II	8564	5,861.92	6,155.17	6,462.92	6,785.92	7,125.33	7,481.67	7,855.75	8,248.58
Utilities Maintenance Wrkr II	8565	70,343	73,862	77,555	81,431	85,504	89,780	94,269	98,983
Senior Custodian	8509	5,804.08 69,649	6,094.25 73,131	6,398.83 76,786	6,718.92 80,627	7,054.83 84,658	7,407.67 88,892	7,778.08 93,337	8,167.00 98,004

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

EXHIBIT A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	5,689.75 68,277	5,974.25 71,691	6,272.75 75,273	6,586.58 79,039	6,915.75 82,989	7,261.50 87,138	7,624.67 91,496	8,005.83 96,070
Community Services Officer	8632	5,633.33 67,600	5,915.08 70,981	6,210.75 74,529	6,521.25 78,255	6,847.33 82,168	7,189.58 86,275	7,549.08 90,589	7,926.50 95,118
Accounting Assistant I	8604	5,413.50 64,962	5,684.17 68,210	5,968.42 71,621	6,266.67 75,200	6,580.25 78,963	6,909.08 82,909	7,254.58 87,055	7,617.25 91,407
PW Maintenance Worker I	8562	5,306.83	5,572.25	5,850.92	6,143.33	6,450.42	6,772.83	7,111.50	7,467.08
Utilities Maintenance Worker I	8563	63,682	66,867	70,211	73,720	77,405	81,274	85,338	89,605
Recreation Specialist	8548								
Office Assistant II	8601	5,150.83	5,408.42	5,678.75	5,962.67	6,260.67	6,573.83	6,902.50	7,247.67
Police Records Technician I	8608	61,810	64,901	68,145	71,552	75,128	78,886	82,830	86,972
Custodian	8506	4,999.25 59,991	5,249.25 62,991	5,511.75 66,141	5,787.17 69,446	6,076.75 72,921	6,380.42 76,565	6,699.42 80,393	7,034.42 84,413
Office Assistant I	8600	4,662.92 55,955	4,896.08 58,753	5,140.83 61,690	5,397.92 64,775	5,667.92 68,015	5,951.17 71,414	6,248.75 74,985	6,561.17 78,734

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,443.92 137,327	12,016.25 144,195	12,616.92 151,403	13,247.83 158,974	13,910.08 166,921	14,605.75 175,269	15,335.92 184,031	16,102.75 193,233
Assistant Engineer	8536	10,403.50	10,923.83	11,469.92	12,043.50	12,645.50	13,277.92	13,941.75	14,638.83
Environmental Engineer	8538	124,842	131,086	137,639	144,522	151,746	159,335	167,301	175,666
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,418.33	9,889.17	10,383.58	10,902.75	11,447.92	12,020.33	12,621.33	13,252.33
Planner II	8513	113,020	118,670	124,603	130,833	137,375	144,244	151,456	159,028
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	9,050.75 108,609	9,503.25 114,039	9,978.42 119,741	10,477.17 125,726	11,001.17 132,014	11,551.17 138,614	12,128.75 145,545	12,735.17 152,822
Building Inspector II	8521	8,961.17 107,534	9,409.25 112,911	9,879.67 118,556	10,373.75 124,485	10,892.33 130,708	11,436.92 137,243	12,008.75 144,105	12,609.25 151,311
Public Safety Communicator	8634	8,784.50 105,414	9,223.67 110,684	9,685.00 116,220	10,169.17 122,030	10,677.75 128,133	11,211.58 134,539	11,772.08 141,265	12,360.67 148,328
Engineering Technician/Inspector III	8532	8,611.58 103,339	9,041.92 108,503	9,494.08 113,929	9,968.83 119,626	10,467.25 125,607	10,990.75 131,889	11,540.25 138,483	12,117.25 145,407
Accountant	8552	8,526.25	8,952.50	9,400.17	9,870.08	10,363.67	10,881.83	11,425.92	11,997.25
Building Inspector I	8520	102,315	107,430	112,802	118,441	124,364	130,582	137,111	143,967
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	7,795.75 93,549	8,185.75 98,229	8,595.00 103,140	9,024.67 108,296	9,475.92 113,711	9,949.75 119,397	10,447.25 125,367	10,969.67 131,636
Accounting Technician II	8554	7,566.58	7,945.00	8,342.17	8,759.25	9,197.25	9,657.08	10,140.00	10,646.92
Senior Facilities Maintenance Specialist	8507	90,799	95,340	100,106	105,111	110,367	115,885	121,680	127,763
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,417.50 89,010	7,788.33 93,460	8,177.67 98,132	8,586.67 103,040	9,015.92 108,191	9,466.83 113,602	9,940.25 119,283	10,437.33 125,248
Information Technology Technician II	8561	7,199.50 86,394	7,559.25 90,711	7,937.17 95,246	8,334.08 100,009	8,750.83 105,010	9,188.33 110,260	9,647.83 115,774	10,130.17 121,562

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	7,057.58	7,410.33	7,780.83	8,170.00	8,578.50	9,007.42	9,457.75	9,930.67
Sr. Maintenance Worker - Parks & Landscape	8504	84,691	88,924	93,370	98,040	102,942	108,089	113,493	119,168
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	6,918.42 83,021	7,264.17 87,170	7,627.50 91,530	8,009.00 96,108	8,409.33 100,912	8,829.92 105,959	9,271.33 111,256	9,734.83 116,818
Accounting Technician I	8553	6,849.92	7,192.50	7,552.00	7,929.58	8,326.08	8,742.42	9,179.50	9,638.50
Facilities Maintenance Specialist	8505	82,199	86,310	90,624	95,155	99,913	104,909	110,154	115,662
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,715.00 80,580	7,050.75 84,609	7,403.17 88,838	7,773.33 93,280	8,162.08 97,945	8,570.08 102,841	8,998.58 107,983	9,448.50 113,382
Water Operator	8544								
Community Coordinator	8547	6,648.42	6,980.83	7,329.92	7,696.33	8,081.17	8,485.33	8,909.50	9,355.00
Community Engagement Coordinator	8549	79,781	83,770	87,959	92,356	96,974	101,824	106,914	112,260
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,517.33	6,843.33	7,185.50	7,544.75	7,922.08	8,318.08	8,734.08	9,170.75
Information Technology Technician I	8560	78,208	82,120	86,226	90,537	95,065	99,817	104,809	110,049
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,263.17 75,158	6,576.33 78,916	6,905.08 82,861	7,250.25 87,003	7,612.75 91,353	7,993.42 95,921	8,393.25 100,719	8,812.75 105,753
Accounting Assistant II	8605	6,201.17 74,414	6,511.17 78,134	6,836.75 82,041	7,178.58 86,143	7,537.50 90,450	7,914.42 94,973	8,310.00 99,720	8,725.50 104,706
PW Maintenance Worker II	8564	6,078.83	6,382.92	6,702.08	7,037.00	7,389.00	7,758.50	8,146.42	8,553.75
Utilities Maintenance Wrkr II	8565	72,946	76,595	80,425	84,444	88,668	93,102	97,757	102,645
Senior Custodian	8509	6,018.83 72,226	6,319.75 75,837	6,635.58 79,627	6,967.50 83,610	7,315.83 87,790	7,681.75 92,181	8,065.83 96,790	8,469.17 101,630

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

EXHIBIT A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	5,900.25 70,803	6,195.33 74,344	6,504.83 78,058	6,830.25 81,963	7,171.67 86,060	7,530.17 90,362	7,906.75 94,881	8,302.08 99,625
Community Services Officer	8632	5,841.75 70,101	6,133.92 73,607	6,440.58 77,287	6,762.50 81,150	7,100.67 85,208	7,455.58 89,467	7,828.42 93,941	8,219.75 98,637
Accounting Assistant I	8604	5,613.83 67,366	5,894.50 70,734	6,189.25 74,271	6,498.50 77,982	6,823.75 81,885	7,164.75 85,977	7,523.00 90,276	7,899.08 94,789
PW Maintenance Worker I	8562	5,503.17	5,778.42	6,067.42	6,370.67	6,689.08	7,023.42	7,374.67	7,743.33
Utilities Maintenance Worker I	8563	66,038	69,341	72,809	76,448	80,269	84,281	88,496	92,920
Recreation Specialist	8548								
Office Assistant II	8601	5,341.42	5,608.50	5,888.83	6,183.25	6,492.33	6,817.08	7,157.92	7,515.83
Police Records Technician I	8608	64,097	67,302	70,666	74,199	77,908	81,805	85,895	90,190
Custodian	8506	5,184.25 62,211	5,443.50 65,322	5,715.67 68,588	6,001.33 72,016	6,301.58 75,619	6,616.50 79,398	6,947.33 83,368	7,294.67 87,536
Office Assistant I	8600	4,835.42 58,025	5,077.25 60,927	5,331.08 63,973	5,597.67 67,172	5,877.67 70,532	6,171.33 74,056	6,479.92 77,759	6,803.92 81,647

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)**

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Associate Engineer	8537	11,787.25 141,447	12,376.75 148,521	12,995.42 155,945	13,645.25 163,743	14,327.42 171,929	15,043.92 180,527	15,796.00 189,552	16,585.83 199,030
Assistant Engineer	8536	10,715.58	11,251.58	11,814.00	12,404.83	13,024.83	13,676.25	14,360.00	15,078.00
Environmental Engineer	8538	128,587	135,019	141,768	148,858	156,298	164,115	172,320	180,936
Senior Hazardous Materials Inspector	8522								
Junior Engineer	8533	9,700.92	10,185.83	10,695.08	11,229.83	11,791.33	12,380.92	13,000.00	13,649.92
Planner II	8513	116,411	122,230	128,341	134,758	141,496	148,571	156,000	163,799
Hazardous Materials Inspector II	8529								
Senior Public Safety Communicator	8635	9,322.25 111,867	9,788.33 117,460	10,277.75 123,333	10,791.50 129,498	11,331.17 135,974	11,897.67 142,772	12,492.58 149,911	13,117.25 157,407
Building Inspector II	8521	9,230.00 110,760	9,691.50 116,298	10,176.08 122,113	10,685.00 128,220	11,219.08 134,629	11,780.00 141,360	12,369.00 148,428	12,987.50 155,850
Public Safety Communicator	8634	9,048.00 108,576	9,500.42 114,005	9,975.58 119,707	10,474.25 125,691	10,998.08 131,977	11,547.92 138,575	12,125.25 145,503	12,731.50 152,778
Engineering Technician/Inspector III	8532	8,869.92 106,439	9,313.17 111,758	9,778.92 117,347	10,267.92 123,215	10,781.25 129,375	11,320.50 135,846	11,886.42 142,637	12,480.75 149,769
Accountant	8552	8,782.00	9,221.08	9,682.17	10,166.17	10,674.58	11,208.25	11,768.67	12,357.17
Building Inspector I	8520	105,384	110,653	116,186	121,994	128,095	134,499	141,224	148,286
Code Enforcement Officer	8526								
Hazardous Materials Inspector I	8517								
Housing & Community Services Coordinator	8524								
Planner I	8512								
Senior Equipment Mechanic	8510	8,029.58 96,355	8,431.33 101,176	8,852.83 106,234	9,295.42 111,545	9,760.17 117,122	10,248.25 122,979	10,760.67 129,128	11,298.75 135,585
Accounting Technician II	8554	7,793.58	8,183.33	8,592.42	9,022.00	9,473.17	9,946.83	10,444.17	10,966.33
Senior Facilities Maintenance Specialist	8507	93,523	98,200	103,109	108,264	113,678	119,362	125,330	131,596
Public Safety Communicator Trainee	8633								
Engineering Technician/Inspector II	8531	7,640.00 91,680	8,022.00 96,264	8,423.00 101,076	8,844.25 106,131	9,286.42 111,437	9,750.83 117,010	10,238.42 122,861	10,750.42 129,005
Information Technology Technician II	8561	7,415.50 88,986	7,786.00 93,432	8,175.25 98,103	8,584.08 103,009	9,013.33 108,160	9,464.00 113,568	9,937.25 119,247	10,434.08 125,209

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)**

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Equipment Mechanic	8508	7,269.33	7,632.67	8,014.25	8,415.08	8,835.83	9,277.67	9,741.50	10,228.58
Sr. Maintenance Worker - Parks & Landscape	8504	87,232	91,592	96,171	100,981	106,030	111,332	116,898	122,743
Sr. Maintenance Worker - STSWD	8566								
Sr. Maintenance Worker - Wastewater	8567								
Sr. Maintenance Worker - Water	8542								
HCD Technician II	8619	7,126.00	7,482.08	7,856.33	8,249.25	8,661.58	9,094.83	9,549.50	10,026.92
		85,512	89,785	94,276	98,991	103,939	109,138	114,594	120,323
Accounting Technician I	8553	7,055.42	7,408.25	7,778.58	8,167.50	8,575.83	9,004.67	9,454.92	9,927.67
Facilities Maintenance Specialist	8505	84,665	88,899	93,343	98,010	102,910	108,056	113,459	119,132
Fire Administration Technician	8516								
Management Assistant	8519								
Permit Technician	8523								
Planning Technician	8514								
Engineering Technician/Inspector I	8530	6,916.42	7,262.25	7,625.25	8,006.50	8,406.92	8,827.17	9,268.50	9,731.92
Water Operator	8544	82,997	87,147	91,503	96,078	100,883	105,926	111,222	116,783
Community Coordinator	8547	6,847.83	7,190.25	7,549.83	7,927.25	8,323.58	8,739.92	9,176.75	9,635.67
Community Engagement Coordinator	8549	82,174	86,283	90,598	95,127	99,883	104,879	110,121	115,628
Recreation Coordinator	8546								
Deputy City Clerk	8555	6,712.83	7,048.67	7,401.08	7,771.08	8,159.75	8,567.67	8,996.08	9,445.83
Information Technology Technician I	8560	80,554	84,584	88,813	93,253	97,917	102,812	107,953	113,350
Property & Evidence Technician	8570								
Senior Police Records Technician	8610								
HCD Technician I	8618	6,451.08	6,773.58	7,112.25	7,467.75	7,841.17	8,233.25	8,645.08	9,077.17
		77,413	81,283	85,347	89,613	94,094	98,799	103,741	108,926
Accounting Assistant II	8605	6,387.17	6,706.50	7,041.83	7,393.92	7,763.67	8,151.83	8,559.33	8,987.25
		76,646	80,478	84,502	88,727	93,164	97,822	102,712	107,847
PW Maintenance Worker II	8564	6,261.17	6,574.42	6,903.17	7,248.08	7,610.67	7,991.25	8,390.83	8,810.33
Utilities Maintenance Wrkr II	8565	75,134	78,893	82,838	86,977	91,328	95,895	100,690	105,724
Senior Custodian	8509	6,199.42	6,509.33	6,834.67	7,176.50	7,535.33	7,912.17	8,307.83	8,723.25
		74,393	78,112	82,016	86,118	90,424	94,946	99,694	104,679

**AFSCME GENERAL UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0 Cost of Living Increase)**

EXHIBIT A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Police Records Technician II	8609	6,077.25 72,927	6,381.17 76,574	6,700.00 80,400	7,035.17 84,422	7,386.83 88,642	7,756.08 93,073	8,143.92 97,727	8,551.17 102,614
Community Services Officer	8632	6,017.00 72,204	6,317.92 75,815	6,633.83 79,606	6,965.42 83,585	7,313.67 87,764	7,679.25 92,151	8,063.25 96,759	8,466.33 101,596
Accounting Assistant I	8604	5,782.25 69,387	6,071.33 72,856	6,374.92 76,499	6,693.42 80,321	7,028.50 84,342	7,379.67 88,556	7,748.67 92,984	8,136.08 97,633
PW Maintenance Worker I	8562	5,668.25	5,951.75	6,249.42	6,561.75	6,889.75	7,234.08	7,595.92	7,975.67
Utilities Maintenance Worker I	8563	68,019	71,421	74,993	78,741	82,677	86,809	91,151	95,708
Recreation Specialist	8548								
Office Assistant II	8601	5,501.67	5,776.75	6,065.50	6,368.75	6,687.08	7,021.58	7,372.67	7,741.33
Police Records Technician I	8608	66,020	69,321	72,786	76,425	80,245	84,259	88,472	92,896
Custodian	8506	5,339.75 64,077	5,606.83 67,282	5,887.17 70,646	6,181.33 74,176	6,490.67 77,888	6,815.00 81,780	7,155.75 85,869	7,513.50 90,162
Office Assistant I	8600	4,980.50 59,766	5,229.58 62,755	5,491.00 65,892	5,765.58 69,187	6,054.00 72,648	6,356.50 76,278	6,674.33 80,092	7,008.00 84,096

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME General Unit employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY ESTABLISHING THE JULY 1, 2026, JULY 1, 2027, AND JULY 1, 2028 SALARY SCHEDULES FOR EMPLOYEES REPRESENTED BY THE AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES (AFSCME, LOCAL 101, GILROY CHAPTER), SUPERVISORY UNIT

WHEREAS, the City Council does establish salaries for city officers and employees by resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GILROY, AS FOLLOWS:

1. The salaries effective July 1, 2026 for AFSCME, Local 101, Supervisory Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three point eight percent (3.8%) cost of living increase.
2. The salaries effective July 1, 2027 for AFSCME Local 101, Supervisory Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three point seven percent (3.7%) cost of living increase.
3. The salaries effective July 1, 2028 for AFSCME, Local 101, Supervisory Unit employees as set forth in the attached salary schedule consisting of three (3) pages is hereby approved and established adding a three percent (3%) cost of living increase.

PASSED AND ADOPTED this 27th day of July, 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2026
(3.8% Cost of Living Increase)**

Exhibit A-1

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,132.67 121,592	10,639.33 127,672	11,171.33 134,056	11,729.92 140,759	12,316.33 147,796	12,932.08 155,185	13,578.67 162,944	14,257.58 171,091
Supervising Code Enforcement Officer	8403	9,455.33 113,464	9,928.00 119,136	10,424.33 125,092	10,945.75 131,349	11,493.08 137,917	12,067.58 144,811	12,671.00 152,052	13,304.58 159,655
Operations Services Supervisor	8402	8,304.33 99,652	8,719.33 104,632	9,155.33 109,864	9,613.17 115,358	10,093.75 121,125	10,598.42 127,181	11,128.33 133,540	11,684.75 140,217
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	7,980.17 95,762	8,379.08 100,549	8,798.17 105,578	9,238.00 110,856	9,699.92 116,399	10,185.00 122,220	10,694.25 128,331	11,229.00 134,748

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2027
(3.7% Cost of Living Increase)**

Exhibit A-2

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,507.58 126,091	11,033.00 132,396	11,584.67 139,016	12,163.92 145,967	12,772.00 153,264	13,410.58 160,927	14,081.08 168,973	14,785.08 177,421
Supervising Code Enforcement Officer	8403	9,805.17 117,662	10,295.33 123,544	10,810.00 129,720	11,350.75 136,209	11,918.33 143,020	12,514.08 150,169	13,139.83 157,678	13,796.83 165,562
Operations Services Supervisor	8402	8,611.58 103,339	9,041.92 108,503	9,494.08 113,929	9,968.83 119,626	10,467.25 125,607	10,990.58 131,887	11,540.08 138,481	12,117.08 145,405
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	8,275.42 99,305	8,689.08 104,269	9,123.67 109,484	9,579.83 114,958	10,058.83 120,706	10,561.83 126,742	11,089.92 133,079	11,644.50 139,734

**7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).*

**7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).*

**7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).*

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

**AFSCME SUPERVISORY UNIT
SALARY SCHEDULE
Effective July 1, 2028
(3.0% Cost of Living Increase)**

Exhibit A-3

Job Classification Title	Job Class Number	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Public Safety Communications Supervisor	8410	10,822.83 129,874	11,364.00 136,368	11,932.17 143,186	12,528.83 150,346	13,155.17 157,862	13,812.92 165,755	14,503.50 174,042	15,228.67 182,744
Supervising Code Enforcement Officer	8403	10,099.33 121,192	10,604.17 127,250	11,134.33 133,612	11,691.25 140,295	12,275.92 147,311	12,889.50 154,674	13,534.00 162,408	14,210.75 170,529
Operations Services Supervisor	8402	8,869.92 106,439	9,313.17 111,758	9,778.92 117,347	10,267.92 123,215	10,781.25 129,375	11,320.33 135,844	11,886.25 142,635	12,480.58 149,767
Police Records Supervisor	8407								
Supervising Accounting Technician	8408								
Supervising Water Quality Specialist	8401								
Recreation Supervisor	8406	8,523.67 102,284	8,949.75 107,397	9,397.42 112,769	9,867.25 118,407	10,360.58 124,327	10,878.67 130,544	11,422.58 137,071	11,993.83 143,926

*7/1/22 salary schedule adds Step F (merit step, one year at Step E, and completion of 5 years service requirement per MOU).

*7/1/23 salary schedule adds Step G (merit step, one year at Step F, and completion of 10 years service requirement per MOU).

*7/1/24 salary schedule adds Step H (merit step, one year at Step G, and completion of 15 years service requirement per MOU).

Annual salary amounts are rounded to the dollar based on Excel formula and are not exact.

AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "classic members" of the CalPERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. AFSCME Supervisory employees that are designated by CalPERS and the City of Gilroy as "new members" of the CalPERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

rev. 7/26

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY ESTABLISHING THE JULY 1, 2026, JULY 1, 2027, AND JULY 1, 2028 SALARY SCHEDULES FOR FULL-TIME, UNREPRESENTED, CONFIDENTIAL, NON-EXEMPT EMPLOYEES

WHEREAS, the City Council does establish salaries for city officers and employees by resolution; and

WHEREAS, the Full-Time, Unrepresented, Confidential, Non-Exempt employees generally receive the same cost of living salary increase and benefits as the AFSCME, Local 101 General Unit.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GILROY, AS FOLLOWS:

1. The salaries effective July 1, 2026 for Full-Time, Unrepresented, Confidential, Non-Exempt employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three point eight percent (3.8%) cost of living increase.
2. The salaries effective July 1, 2027 for Full-Time, Unrepresented, Confidential, Non-Exempt employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three point seven percent (3.7%) cost of living increase.
3. The salaries effective July 1, 2028 for Full-Time, Unrepresented, Confidential, Non-Exempt employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three percent (3%) cost of living increase.
4. The employee benefits for Full-Time, Unrepresented, Confidential, Non-Exempt employees shall be the same as those provided for AFSCME, Local 101 employees except for personal leave hours which are set at 52 hours per fiscal year for Full-Time, Unrepresented, Confidential, Non-Exempt employees.

PASSED AND ADOPTED this 27th day of July, 2026 by the following roll call vote:

AYES: **COUNCIL MEMBERS:**
NOES: **COUNCIL MEMBERS:**
ABSTAIN: **COUNCIL MEMBERS:**
ABSENT: **COUNCIL MEMBERS:**

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

**FULL-TIME UNREPRESENTED CONFIDENTIAL
NON-EXEMPT EMPLOYEES
SALARY SCHEDULE
EFFECTIVE: JULY 1, 2026
(3.8% Increase)**

Job Classification Title	Job Class Number TM-HCM	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Human Resources & Risk Management Technician II	7620	7,296.58 87,559	7,661.50 91,938	8,044.50 96,534	8,446.75 101,361	8,869.08 106,429	9,312.50 111,750	9,778.08 117,337	10,266.92 123,203
Accounting Technician II - Payroll	7554								
Human Resources & Risk Management Technician I	7614	6,605.50 79,266	6,935.83 83,230	7,282.58 87,391	7,646.67 91,760	8,029.00 96,348	8,430.50 101,166	8,851.92 106,223	9,294.50 111,534
Management Assistant	7615								
Accounting Technician I - Payroll	7553								
Human Resources Assistant II	7603	5,150.83 61,810	5,408.42 64,901	5,678.75 68,145	5,962.67 71,552	6,260.67 75,128	6,573.83 78,886	6,902.50 82,830	7,247.67 86,972
Human Resources Assistant I	7602	4,662.92 55,955	4,896.08 58,753	5,140.83 61,690	5,397.92 64,775	5,667.92 68,015	5,951.17 71,414	6,248.75 74,985	6,561.17 78,734

*7/1/22 salary schedule added Step F (merit step - meets standards or better performance evaluation, one year at Step E, and completion of 5 years FT service requirement)

*7/1/23 salary schedule added Step G (merit step - meets standards or better performance evaluation, one year at Step F, and completion of 10 years FT service requirement)□

*7/1/24 salary schedule added Step H (merit step - meets standards or better performance evaluation, one year at Step G, and completion of 15 years FT service requirement)□

Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "classic members" of the PERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "new members" of the PERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

Annual salary amounts are rounded to the dollar based on Excel formula.

rev. 7/26

**FULL-TIME UNREPRESENTED CONFIDENTIAL
NON-EXEMPT EMPLOYEES
SALARY SCHEDULE
EFFECTIVE: JULY 1, 2027
(3.7% Increase)**

Job Classification Title	Job Class Number TM-HCM	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Human Resources & Risk Management Technician II	7620	7,566.58 90,799	7,945.00 95,340	8,342.17 100,106	8,759.25 105,111	9,197.25 110,367	9,657.08 115,885	10,139.83 121,678	10,646.83 127,762
Accounting Technician II - Payroll	7554								
Human Resources & Risk Management Technician I	7614	6,849.92 82,199	7,192.50 86,310	7,552.00 90,624	7,929.58 95,155	8,326.08 99,913	8,742.42 104,909	9,179.42 110,153	9,638.42 115,661
Management Assistant	7615								
Accounting Technician I - Payroll	7553								
Human Resources Assistant II	7603	5,341.42 64,097	5,608.50 67,302	5,888.83 70,666	6,183.25 74,199	6,492.33 77,908	6,817.08 81,805	7,157.92 85,895	7,515.83 90,190
Human Resources Assistant I	7602	4,835.42 58,025	5,077.25 60,927	5,331.08 63,973	5,597.67 67,172	5,877.67 70,532	6,171.33 74,056	6,479.92 77,759	6,803.92 81,647

**7/1/22 salary schedule added Step F (merit step - meets standards or better performance evaluation, one year at Step E, and completion of 5 years FT service requirement)*

**7/1/23 salary schedule added Step G (merit step - meets standards or better performance evaluation, one year at Step F, and completion of 10 years FT service requirement)□*

**7/1/24 salary schedule added Step H (merit step - meets standards or better performance evaluation, one year at Step G, and completion of 15 years FT service requirement)□*

Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "classic members" of the PERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "new members" of the PERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

Annual salary amounts are rounded to the dollar based on Excel formula.

rev. 7/26

**FULL-TIME UNREPRESENTED CONFIDENTIAL
NON-EXEMPT EMPLOYEES
SALARY SCHEDULE
EFFECTIVE: JULY 1, 2028
(3.0% Increase)**

Job Classification Title	Job Class Number TM-HCM	Step A	Step B	Step C	Step D	Step E	Step F*	Step G*	Step H*
Human Resources & Risk Management Technician II	7620	7,793.58	8,183.33	8,592.42	9,022.00	9,473.17	9,946.83	10,444.00	10,966.25
Accounting Technician II - Payroll	7554	93,523	98,200	103,109	108,264	113,678	119,362	125,328	131,595
Human Resources & Risk Management Technician I	7614	7,055.42	7,408.25	7,778.58	8,167.50	8,575.83	9,004.67	9,454.83	9,927.58
Management Assistant	7615	84,665	88,899	93,343	98,010	102,910	108,056	113,458	119,131
Accounting Technician I - Payroll	7553								
Human Resources Assistant II	7603	5,501.67	5,776.75	6,065.50	6,368.75	6,687.08	7,021.58	7,372.67	7,741.33
		66,020	69,321	72,786	76,425	80,245	84,259	88,472	92,896
Human Resources Assistant I	7602	4,980.50	5,229.58	5,491.00	5,765.58	6,054.00	6,356.50	6,674.33	7,008.00
		59,766	62,755	65,892	69,187	72,648	76,278	80,092	84,096

*7/1/22 salary schedule added Step F (merit step - meets standards or better performance evaluation, one year at Step E, and completion of 5 years FT service requirement)

*7/1/23 salary schedule added Step G (merit step - meets standards or better performance evaluation, one year at Step F, and completion of 10 years FT service requirement)□

*7/1/24 salary schedule added Step H (merit step - meets standards or better performance evaluation, one year at Step G, and completion of 15 years FT service requirement)□

Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "classic members" of the PERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan. Unrepresented non-exempt confidential employees that are designated by CalPERS and the city of Gilroy as "new members" of the PERS Miscellaneous group shall pay 50% of the normal cost as established by CalPERS. The normal cost may vary from year to year and this amount shall be a pre-tax payroll deduction under IRC 414(h) (2) for the CalPERS 2% at 62 retirement plan.

Annual salary amounts are rounded to the dollar based on Excel formula.

rev. 7/26

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY ESTABLISHING THE JULY 1, 2026, JULY 1, 2027, AND JULY 1, 2028 SALARY SCHEDULES FOR UNREPRESENTED, PART-TIME/TEMPORARY/SEASONAL, HOURLY EMPLOYEES

WHEREAS, the City Council does establish salaries for city officers and employees by resolution; and

WHEREAS, the Unrepresented, Part-Time/Temporary/Seasonal, Hourly employees generally receive the same cost of living salary increase as the AFSCME, Local 101 General Unit.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GILROY, AS FOLLOWS:

1. The salaries effective July 1, 2026 for unrepresented, part-time/temporary/seasonal, hourly employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three point eight percent (3.8%) cost of living increase.
2. The salaries effective July 1, 2027 for unrepresented, part-time/temporary/seasonal, hourly employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three point seven percent (3.7%) cost of living increase.
3. The salaries effective July 1, 2028 for unrepresented, part-time/temporary/seasonal, hourly employees as set forth in the attached salary schedule consisting of one (1) page is hereby approved and established adding a three percent (3%) cost of living increase.

PASSED AND ADOPTED this 27th day of July, 2026 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Greg Bozzo, Mayor

ATTEST:

Kim Mancera, City Clerk

HOURLY PART-TIME, TEMPORARY, AND SEASONAL EMPLOYEE
SALARY SCHEDULE
7/1/2026 (3.8%)

RECREATION POSITIONS:

Class Code	Classification Title	Hourly Rate Range	
9902	Recreation Leader I	\$17.54	\$17.54
9903	Recreation Leader II	\$18.32	\$18.32
9916	Recreation Leader III	\$19.48	\$22.94
9921	Recreation Specialist	\$26.03	\$32.73

OTHER POSITIONS*:

Class Code	Classification Title	Hourly Rate Range	
9803	Firefighter Trainee (Licensed Paramedic)	90% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate	95% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate
9928	Student Worker	\$17.54	\$17.54
9930	Accounting Assistant I	\$28.11	\$34.44
9932	Office Assistant I	\$24.21	\$29.66
9933	Custodian	\$25.96	\$31.79
9934	Maintenance Worker Assistant	\$22.41	\$28.20
9939	Assistant Fleet Technician	\$27.56	\$33.76
9943	Intern - Fellowship	\$34.04	\$36.45
9946	Code Enforcement Technician	\$33.09	\$40.51
9948	Property & Evidence Technician	\$32.63	\$39.97
9951	Reserve Officer – Level II (flat rate)	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9952	Reserve Officer – Level III (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9953	Police Officer Trainee (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.
9955	Intern – Master's	\$20.30	\$22.57
9956	Intern – Bachelor's	\$17.54	\$19.56
9957	Police Cadet (High School Student)	\$17.54	\$18.36
9958	Police Cadet (Junior/Community College)	\$19.44	\$21.60
9959	Police Cadet Year College/University > 60 semester units) ⁽⁴⁾	\$21.60	\$27.00
9980	Water Conservation Officer	\$40.33	\$50.72
9983	Communication Assistant	\$25.82	\$31.93
9950/B	Reserve Officer – Level I (flat rate)	Step A of Range SP32 from Police Salary Schedule = hourly rate	Step A of Range SP32 from Police Salary Schedule = hourly rate
9985	Extra Help CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties
9986	Interim CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties

*Consistent with some of the ranges noted above, if the city hires a part-time/temporary/seasonal hourly employee to a job classification typically filled by a full-time employee, then the hourly rate range for the part-time/temporary/seasonal hourly position will be 90% of Step A to a maximum of Step C. The only exception is if a full-time employee who was paid higher than Step C reduces to part-time status then that employee will retain the hourly rate equivalent of the salary step they were at when they reduced to part-time status.

HOURLY PART-TIME, TEMPORARY, AND SEASONAL EMPLOYEE
SALARY SCHEDULE
7/1/2027 (3.7%)

RECREATION POSITIONS:

Class Code	Classification Title	Hourly Rate Range	
9902	Recreation Leader I	\$18.19	\$18.19
9903	Recreation Leader II	\$19.00	\$19.00
9916	Recreation Leader III	\$20.20	\$23.79
9921	Recreation Specialist	\$26.99	\$33.94

OTHER POSITIONS*:

Class Code	Classification Title	Hourly Rate Range	
9803	Firefighter Trainee (Licensed Paramedic)	90% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate	95% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate
9928	Student Worker	\$18.19	\$18.19
9930	Accounting Assistant I	\$29.15	\$35.71
9932	Office Assistant I	\$25.11	\$30.76
9933	Custodian	\$26.92	\$32.97
9934	Maintenance Worker Assistant	\$23.24	\$29.24
9939	Assistant Fleet Technician	\$28.58	\$35.01
9943	Intern - Fellowship	\$35.30	\$37.80
9946	Code Enforcement Technician	\$34.31	\$42.01
9948	Property & Evidence Technician	\$33.84	\$41.45
9951	Reserve Officer – Level II (flat rate)	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9952	Reserve Officer – Level III (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9953	Police Officer Trainee (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.
9955	Intern – Master's	\$21.05	\$23.41
9956	Intern – Bachelor's	\$18.19	\$20.28
9957	Police Cadet (High School Student)	\$18.19	\$19.04
9958	Police Cadet (Junior/Community College)	\$20.16	\$22.40
9959	Police Cadet Year College/University > 60 semester units) ⁽⁴⁾	\$22.40	\$28.00
9980	Water Conservation Officer	\$41.82	\$52.60
9983	Communication Assistant	\$26.78	\$33.11
9950/B	Reserve Officer – Level I (flat rate)	Step A of Range SP32 from Police Salary Schedule = hourly rate	Step A of Range SP32 from Police Salary Schedule = hourly rate
9985	Extra Help CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties
9986	Interim CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties

*Consistent with some of the ranges noted above, if the city hires a part-time/temporary/seasonal hourly employee to a job classification typically filled by a full-time employee, then the hourly rate range for the part-time/temporary/seasonal hourly position will be 90% of Step A to a maximum of Step C. The only exception is if a full-time employee who was paid higher than Step C reduces to part-time status then that employee will retain the hourly rate equivalent of the salary step they were at when they reduced to part-time status.

HOURLY PART-TIME, TEMPORARY, AND SEASONAL EMPLOYEE
SALARY SCHEDULE
7/1/2028 (3.0%)

RECREATION POSITIONS:

Class Code	Classification Title	Hourly Rate Range	
9902	Recreation Leader I	\$18.74	\$18.74
9903	Recreation Leader II	\$19.57	\$19.57
9916	Recreation Leader III	\$20.81	\$24.50
9921	Recreation Specialist	\$27.80	\$34.96

OTHER POSITIONS*:

Class Code	Classification Title	Hourly Rate Range	
9803	Firefighter Trainee (Licensed Paramedic)	90% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate	95% of Step A of Range F30 from the IAFF, Local 2805 salary schedule = hourly rate
9928	Student Worker	\$18.74	\$18.74
9930	Accounting Assistant I	\$30.02	\$36.78
9932	Office Assistant I	\$25.86	\$31.68
9933	Custodian	\$27.73	\$33.96
9934	Maintenance Worker Assistant	\$23.94	\$30.12
9939	Assistant Fleet Technician	\$29.44	\$36.06
9943	Intern - Fellowship	\$36.36	\$38.93
9946	Code Enforcement Technician	\$35.34	\$43.27
9948	Property & Evidence Technician	\$34.86	\$42.69
9951	Reserve Officer – Level II (flat rate)	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate	95% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9952	Reserve Officer – Level III (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate	90% of Step A of Range SP32 from Police Salary Schedule = hourly rate
9953	Police Officer Trainee (flat rate)	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.	90% of Step A of Range SP32 from Police Salary Schedule = monthly pay rate while attending police academy.
9955	Intern – Master's	\$21.68	\$24.11
9956	Intern – Bachelor's	\$18.74	\$20.89
9957	Police Cadet (High School Student)	\$18.74	\$19.61
9958	Police Cadet (Junior/Community College)	\$20.76	\$23.07
9959	Police Cadet Year College/University > 60 semester units) ⁽⁴⁾	\$23.07	\$28.84
9980	Water Conservation Officer	\$43.07	\$54.18
9983	Communication Assistant	\$27.58	\$34.10
9950/B	Reserve Officer – Level I (flat rate)	Step A of Range SP32 from Police Salary Schedule = hourly rate	Step A of Range SP32 from Police Salary Schedule = hourly rate
9985	Extra Help CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties
9986	Interim CalPERS Retired Annuitant	TBD based on job duties	TBD based on job duties

*Consistent with some of the ranges noted above, if the city hires a part-time/temporary/seasonal hourly employee to a job classification typically filled by a full-time employee, then the hourly rate range for the part-time/temporary/seasonal hourly position will be 90% of Step A to a maximum of Step C. The only exception is if a full-time employee who was paid higher than Step C reduces to part-time status then that employee will retain the hourly rate equivalent of the salary step they were at when they reduced to part-time status.